

## spotlight on **benefits**



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# Board of Trustees Approves Basic Plan Benefit Improvements for 2015, Including 13th Check for Retirees

**These improvements to the Basic Pension Plan, which also include the elimination of a Plan rule affecting those who delay their retirement beyond age 65, reflect the strength of the Basic Plan**

**T**he Board of Trustees of the DGA–Producer Pension Plans is pleased to announce the following changes to the Basic Pension Plan:

- ▶ **13TH CHECK FOR CURRENT RETIREES.** In January 2015, a one-time 13th check will be issued to all Basic Pension Plan retirees and beneficiaries receiving a monthly benefit as of December 31, 2014.
- ▶ **EXPANDED BENEFIT WHEN DELAYING RETIREMENT FROM THE BASIC PENSION PLAN BEYOND AGE 65.** Effective January 1, 2015, if you delay retirement from the Basic Pension Plan past normal retirement age (generally age 65), you will be eligible for an increase to your pension benefit for each month that you delay retirement—even months in which you work eight or more days in your DGA capacity. Prior to 2015, you could not receive an increase for months where you worked eight or more days in your DGA capacity.

To help pay for the expanded benefit, the Board of Trustees adjusted the amount of the delayed retirement increase for

future benefits from 12% per year to 9% per year.

### **13TH CHECK FOR CURRENT RETIREES**

The Board of Trustees is pleased to issue the 13th check to retirees, reflecting both their commitment to current and future retirees, as well as the financial strength of the Basic Pension Plan. The Basic Pension Plan remains well funded at over 101%, as measured by the Pension Protection Act.

The 13th check will be mailed in early January. The 13th check payment will be equal to the December 2014 monthly payment.

This additional benefit payment is made on a one-time basis only, and is based entirely on the Trustees' judgment about the financial condition of the Basic Plan during the relevant time frame. There is no right (vested, accrued or otherwise) to any additional or similar payment in future months or years.

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# BASIC PLAN BENEFIT IMPROVEMENTS

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## EXPANDED BENEFIT WHEN DELAYING RETIREMENT FROM THE BASIC PENSION PLAN BEYOND AGE 65

If you choose to delay retirement from the Basic Plan beyond normal retirement age (generally age 65), you are eligible to receive a benefit increase for each month between your 65th birthday and the time you retire from the Basic Plan (delaying retirement from the Basic Plan does not affect your ability to take a retirement from the Supplemental Pension Plan and become eligible for Health Plan Certified Retiree coverage).

Previously, you were not eligible for a delayed retirement increase in months where you worked eight or more days in your DGA capacity. However, someone who works full-time in a non-DGA capacity (as a producer, writer, etc.) would continue to be eligible for the delayed retirement increase. The Board of Trustees recognized that if you continue working in your DGA capacity, you should receive the same increase.

As a result, the Board of Trustees approved that, effective January 1, 2015, the eight-day restriction will be eliminated. This change also allows a participant who has reached the \$5,500 Basic Plan maximum monthly benefit and delays retirement beyond age 65 to receive a delayed retirement increase for months where eight or more days are worked in his or her DGA category, beginning in 2015.

To help pay for the expanded delayed retirement benefit, the delayed retirement increase has been reduced to 0.75% per month (9% per year) for benefits accrued on or after January 1, 2015. For benefits accrued before 2015, the delayed retirement increase will continue to be 1% per month for the first 60 months after age 65 and 1.5% per month for subsequent months. The eight-day restriction on DGA work still applies through December 31, 2014. Beginning on January 1, 2015, the applicable increase will be applied regardless of the amount of days worked in your DGA category.

These changes do not affect Basic Plan post-retirement suspension rules. Once you begin receiving a monthly benefit from the Basic Plan, your benefit will still be subject to suspension if you work eight or more days in a calendar month in the same DGA position that you worked in prior to your retirement.

The required Notice to Plan Participants detailing these pension changes is included with this newsletter. If you have any questions about the notice, please contact our Pension Department at (877) 866-2200, extension 404. [PH](#)

## 2013 Summary Annual Reports

The 2013 Summary Annual Reports for the DGA–Producer Supplemental Pension Plan and the DGA–Producer Health Plan are included with this newsletter. These notices are distributed to all Pension and Health Plan participants at the end of each year.



## INSIDE SPOTLIGHT

### 3 Express Scripts Updates National Preferred Formulary

Express Scripts has made changes to the list of drugs that are excluded from coverage in 2015.

### 3 Health Plan Overall Annual Out-of-Pocket Limit Updated

The Health Plan's overall annual out-of-pocket limit for network providers was increased and updated to include prescription drug co-payments.

### 3 Women's Health and Cancer Rights

The Health Plan provides certain medical and surgical benefits in connection with reconstructive surgery after a mastectomy.

### 4 Pay Your Premiums On Time

Follow these important tips to make sure that your Health Plan coverage is not suspended.

# EXPRESS SCRIPTS UPDATES NATIONAL PREFERRED FORMULARY

The Health Plan's Board of Trustees has adopted Express Scripts new national preferred formulary effective January 1, 2015. The revised formulary includes changes to the list of drugs that are not covered beginning in 2015.

## What is a formulary?

A formulary is a list of covered prescription drugs. It excludes some brand name medication from coverage, which may affect a small percentage of individuals who are in the Health Plan.

## What's included in the formulary?

The formulary's list of preferred drugs includes most generics, as well as some brand names that do not have a generic alternative or are cheaper than other brand name drugs. If you are already taking generic medication, then your prescription medication will likely be a preferred drug in the formulary, and remain covered.

## What can I do if my drug is no longer covered?

If your brand name medication is no longer covered under the Health Plan, your doctor can prescribe another clinically appropriate medication that is included in Express Scripts' formulary.

For more information about which prescriptions are covered, you can log on to your account at [express-scripts.com](http://express-scripts.com) and click on the **Learn About Formularies** link under **Health and Benefits Information**. If you have questions, please call Express Scripts at (800) 987-7828. **PH**

# WOMEN'S HEALTH AND CANCER RIGHTS

Women who have had a mastectomy or expect to have one may be entitled to special benefits under the Women's Health and Cancer Rights Act of 1998. The Health Plan provides several important benefits to help women fighting breast cancer.

The following notice is made on an annual basis:

*The Health Plan provides medical and surgical benefits for certain types of reconstructive surgery in connection with a mastectomy. This covers reconstruction of the breast on which the mastectomy was performed, surgery on the other breast to produce a symmetrical appearance, and prostheses and physical complications of all stages of mastectomy, including lymphedemas.*

If you have any questions, please contact the Participant Services Department at (323) 866-2200, Extension 401 or toll-free at (877) 866-2200, Extension 401. **PH**

# HEALTH PLAN OVERALL ANNUAL OUT-OF-POCKET LIMIT UPDATED

Effective January 1, 2015, the following changes will be made to the Health Plan's overall annual out-of-pocket limit for network providers:

- ▶ The limit will increase from \$6,350 single/\$12,700 family to \$6,600 single/\$13,200 family.
- ▶ Prescription drug co-payments will be included in the calculation of the limit.

## How will this change affect my out-of-pocket costs?

It is unlikely that this change will have any affect on your out-of-pocket costs.

That is because, each year, the Health Plan already limits your network out-of-pocket costs to \$1,000 per year per person, after deductible. This \$1,000 limit includes your 10% share of network health claims, but does not include co-payments.

In addition to the \$1,000 network out-of-pocket limit, the Affordable Care Act established an overall network out-of-pocket limit, which does include co-payments and deductibles. This is the limit that has been changed.

In practice, to reach the \$6,600 overall limit, as a single person, you would have to accumulate \$5,275 in medical and prescription drug co-payments (\$6,600 minus the \$325 deductible and the \$1,000 network out-of-pocket maximum) over the course of a calendar year. **PH**

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## Pay Your Premiums on Time to Avoid Suspension of Coverage

### 1 Payments are Due On the 1st of the Month

If you don't pay your self-pay or dependent premiums by the first of the month they are due, your coverage will be suspended until payment is received.

While there is a 30-day grace period for Health Plan premium payments (45 days for your initial COBRA premium), that simply means you have 30 days before your coverage is cancelled.

When coverage is suspended, you will have to pay full price when you seek medical services or try to fill a prescription. If you pay your premium during your 30-day grace period, you can then submit the claim to us for reimbursement.

### 2 Schedule E-Bill Payments for the 1st

If you use the E-Bill Express automatic payment option to pay your Health Plan premium, make sure your payment is scheduled to be made on the first of the month, when your premium is due.

If you schedule your payment for after the first of the month, your coverage will be suspended until payment is received.

### 3 Update Your Bank's Auto-Pay Address

The Plans moved offices in 2013. We recently stopped receiving forwarded mail from our old address. If you are paying your Health Plan premium through your bank's autopay service, make sure the payment is being sent to:

**DGA-Producer Health Plan**  
5055 Wilshire Blvd., Suite 600  
Los Angeles, CA 90036