



# Writers' Guild-Industry Health Fund

Terence L. Young, Chief Executive Officer

March 1, 2008

**TO: ALL PARTICIPANTS**

## ***CHANGE IN QUALIFYING EARNINGS AMOUNT FOR ACTIVE (Earned) ELIGIBILITY***

Eligibility for Health Fund coverage is based on earnings which equal the WGA minimum for a one hour, network prime time story and teleplay. Through the period ending March 31, 2008, you must earn \$30,823 in covered (reportable) compensation within four (4) consecutive calendar quarters to qualify for one year of employer paid eligibility. Under the Writers Guild of America 2008 Theatrical and Television Minimum Basic Agreement, that minimum increased to **\$31,748**, effective February 13, 2008.

Consequently, starting **April 1, 2008**, the minimum of covered (reportable) earnings required for Health Fund eligibility will be **\$31,748, earned within four (4) consecutive calendar quarters**. This change will affect eligibility accrual periods beginning with the calendar quarter which commences April 1, 2008. Please note that some of your earnings may not be reportable to the Health Fund if you have reached the ceiling on a project or received compensation that is not subject to reporting.

Note: Writers of thirteen (13) breakdowns during one thirteen-week cycle for a one-hour daytime serial program who have been paid a total of less than \$31,748, may still be eligible to receive one year's Health Fund eligibility. Please call the Administrative Office for details.

### **EXAMPLE OF BASIC INITIAL ELIGIBILITY (not currently on earned coverage)**

If your covered (reportable) earnings total **\$31,748**, earned within four (4) or less consecutive calendar quarters, you will be eligible for twelve (12) consecutive months of earned coverage after a lag period of one (1) quarter.

<b>Earnings Cycle Ends</b>	<b>Lag Quarter</b>	<b>Coverage Cycle</b>
March 31, 2008 - (\$30,823)	April 1, 2008 – June 30, 2008	July 1, 2008 – June 30, 2009
June 30, 2008 - (\$31,748)	July 1, 2008 - Sept. 30, 2008	Oct. 1, 2008 - Sept. 30, 2009
Sept. 30, 2008 - (\$31,748)	Oct. 1, 2008 - Dec. 31, 2008	Jan. 1, 2009 - Dec. 31, 2009
Dec. 31, 2008 - (\$31,748)	Jan. 1, 2009 - March 31, 2009	April 1, 2009 - March 31, 2010
March 31, 2009 - (\$31,748)	April 1, 2009 - June 30, 2009	July 1, 2009 - June 30, 2010

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## **EXAMPLE OF CONTINUATION OF ELIGIBILITY**

If your earnings cycle is January 1, 2007 through December 31, 2007 or April 1, 2007 through March 31, 2008, and you earned at least \$30,823 in reportable earnings by the end of your earnings cycle, you can qualify for an additional twelve (12) months of earned coverage.

**Or:**

If your earnings cycle ends June 30, 2008, September 30, 2008, or December 31, 2008, and you did not earn \$30,823 by March 31, 2008, but earned at least \$31,748 by the end of your earnings cycle, you can qualify for another twelve (12) months of earned coverage.

<b>Earnings Cycle</b>	<b>Minimum for Eligibility</b>	<b>Coverage Cycle</b>
Jan. 1, 2007 - Dec. 31, 2007	\$30,823	April 1, 2008 - March 31, 2009
April 1, 2007 - March 31, 2008	\$30,823	July 1, 2008 - June 30, 2009
July 1, 2007 - June 30, 2008	\$30,823 by March 31, 2008, \$31,748 thereafter	Oct. 1, 2008 - Sept. 30, 2009
Oct. 1, 2007 - Sept. 30, 2008	\$30,823 by March 31, 2008, \$31,748 thereafter	Jan. 1, 2009 - Dec. 31, 2009
Jan. 1, 2008 – Dec. 31, 2008	\$30,823 by March 31, 2008, \$31,748 thereafter	April 1, 2009 - March 31, 2010

## **SPECIAL EXTENSION PROVISIONS**

According to a special extension agreement, each writer whose earnings cycle ends December 31, 2007, March 31, 2008, June 30, 2008, September 30, 2008 or December 31, 2008, and did not earn enough covered compensation to continue coverage will be awarded one (1) additional quarter of coverage at the end of their current cycle. In addition, these writers will have their earnings cycle extended forward for a period of one (1) quarter on a one-time only basis. These provisions only apply to writers whose earnings cycle includes the dates October 1, 2007 through December 31, 2007 and/or January 1, 2008 through February 12, 2008 and are losing coverage on the "Current Coverage Ends" dates (column B). Please see the attached chart for more information.

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## EXTENDED COVERAGE PROGRAM- HOW POINTS ARE EARNED

The Fund's Extended Coverage Program provides an extension of Health Fund coverage should a Writer not have the required amount of covered (reportable) earnings to qualify for regular, employer-paid coverage by awarding points as indicated below. Once a Writer accumulates a sufficient number of points, the points are applied to provide Health Fund coverage without cost to the Writer and precede any COBRA coverage which the Writer will eventually be able to purchase. For each earnings cycle (the four quarters during which a Writer's reportable earnings are calculated for employer-paid Health Fund Coverage), up to three (3) points may be earned as follows:

One (1) point for each 4-quarter eligibility cycle which resulted in Health Fund eligibility.

One (1) additional or <i>second point</i> for each four-quarter earnings cycle during which the writer earned covered compensation as reported to the Health Fund* for the indicated earnings cycles listed below.				
Earnings Minimum For Second Point	Earnings Cycle Effective Date	Earnings Cycle Effective Date	Earnings Cycle Effective Date	Earnings Cycle Effective Date
\$100,000		04/01/00	07/01/00	10/01/00
103,252	01/01/01	04/01/01	07/01/01	10/01/01
106,089	01/01/02	04/01/02	07/01/02	10/01/02
108,741	01/01/03	04/01/03	07/01/03	10/01/03
111,460	01/01/04	04/01/04	07/01/04	10/01/04
113,968	01/01/05	04/01/05	07/01/05	10/01/05
116,534	01/01/06	04/01/06	07/01/06	10/01/06
119,156	01/01/07	04/01/07	07/01/07	10/01/07, 01/01/08
<b>122,731</b>	<b>04/01/08</b>	<b>07/01/08</b>	<b>10/01/08</b>	<b>01/01/09</b>

\*Under the rules of the Extended Coverage Program, on January 1, 2001, and the first day of each calendar year thereafter, the initial \$100,000 eligible earnings level for which a *second point* is awarded will be increased by an amount proportionally equivalent to the increase (if any) in the Guild minimum for a ½ hour network prime time story and teleplay.

Accordingly, the new amount for which an additional or *second point* may be awarded is **\$122,731** for earnings cycles beginning April 1, 2008, July 1, 2008, October 1, 2008 and January 1, 2009.

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### ***Extended Coverage Program- Adjustment to Point Award Continued:***

One (1) additional or <i>third point</i> for each four-quarter earnings cycle during which the writer earned covered compensation as reported to the Health Fund** for the indicated earnings cycles listed below.				
Earnings Minimum For Second Point	Earnings Cycle Effective Date	Earnings Cycle Effective Date	Earnings Cycle Effective Date	Earnings Cycle Effective Date
\$200,000		04/01/00	07/01/00	10/01/00
200,000	01/01/01	04/01/01	07/01/01	10/01/01
200,000	01/01/02	04/01/02	07/01/02	10/01/02
200,000	01/01/03	04/01/03	07/01/03	10/01/03
200,000	01/01/04	04/01/04	07/01/04	10/01/04
204,500	01/01/05	04/01/05	07/01/05	10/01/05
209,101	01/01/06	04/01/06	07/01/06	10/01/06
213,806	01/01/07	04/01/07	07/01/07	10/01/07, 01/01/08
<b>220,220</b>	<b>04/01/08</b>	<b>07/01/08</b>	<b>10/01/08</b>	<b>01/01/09</b>

\*\*In 2004, the Board of Trustees evaluated how a *third point* is awarded. The decision was made to amend the program as follows: Effective January 1, 2005, and the first day of each calendar year thereafter, the eligible earnings level for which an additional or *third point* is awarded will be increased by an amount proportionally equivalent to the increase (if any) in the Guild minimum for a ½ hour network prime time story and teleplay.

Accordingly, the new amount for which a *third point* may be awarded is [\\$220,220](#) for earnings cycles beginning April 1, 2008, July 1, 2008, October 1, 2008 and January 1, 2009.

If you should have any questions regarding the changes or their impact on your individual situation, please contact the Eligibility Department at the telephone number on page 1 by selecting “3” at the menu prompt.

Sincerely,

**BOARD OF TRUSTEES**