



Writers' Guild-Industry Health Fund

Terence L. Young, Chief Executive Officer

DATE: June 1, 2007

TO: Active Covered Participants (PPO and Open Access Plans only)

FROM: Writers Guild-Industry Health Plan

SUBJECT: Prescription Drug Benefits - Coordination of Benefits (COB)

You and your family members may have coverage under more than one health plan. The Medical Plan administered by The Writers' Guild-Industry Health Fund (WGIHF) includes a coordination of benefits (COB) provision to eliminate duplicate payment for services (see pages 38 – 41 in the Summary Plan Description for details as to how COB is determined). Currently, COB does not apply to the prescription drug program.

Effective July 1, 2007, the COB provision will be applied to the Prescription Drug Program which is administered by Medco. COB will apply when you obtain your prescriptions at the Retail Pharmacy or when you use Medco by Mail.

What does this mean?

If WGIHF is your primary coverage—*then nothing changes*. If your or your dependent's primary prescription benefit plan is under another plan, you will need to use that primary coverage first beginning July 1, 2007.

How will Medco coordinate benefits with the primary plan?

WGIHF will provide Medco with the COB information we already have on file at the Plan office. This will not apply to Certified Retirees, whose primary medical coverage is Medicare—we will continue as the primary plan for their prescription drugs.

What will happen to my prescriptions if WGIHF is secondary for me and/or my covered dependents?

If the WGIHF plan is the secondary plan for you or your covered dependents, you will need to submit your prescription requests through your primary insurance plan first. Medco will reject payment for the prescription either purchased at the Retail Pharmacy or through Medco by Mail. If your primary plan requires you to pay a portion of the drug cost, you will then have an opportunity to submit that portion to WGIHF for reimbursement consideration.

How do you submit your claims for secondary coverage reimbursement?

- You will need to submit a Medco COB claim form along with the necessary primary claim reimbursement documentation. Two typical forms of reimbursement documentation are:
 - ◇ An Explanation of Benefits (EOB) statement, which you should receive from your primary insurance carrier.
 - ◇ A co-pay receipt from the pharmacy that filled the prescription under the primary plan.
- Enclosed is the Medco COB claim form. You may also obtain the Medco COB claim form by visiting our website (www.wgaplans.org) or the Medco website (www.medco.com).
- Instructions for mailing in both the reimbursement documentation and Medco COB claim form for reimbursement consideration can be found on the Medco COB claim form.

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How is my request for reimbursement under the secondary coverage processed?

Once your secondary claim request is received, Medco will review the request and reimburse you the lesser of: the amount your primary insurance plan did not cover for you or what WGIHF would have paid on your behalf if you were primary with the Plan. Medco will then reimburse you via a check for the amount approved under your secondary coverage.

Claim Example #1 – Participant uses the primary plan RX card at the pharmacy and was responsible for the primary plan’s co-pay of \$20.00. Submit a Medco COB claim form with a copy of the co-pay receipt and forward to Medco for processing. Here is how the claim may be processed.

FUND’S PRIMARY CALCULATION		AMOUNT SUBMITTED FOR SECONDARY PAYMENT	
WGIHF’S Approved Amount*	\$ 50.00	Primary Plan’s co-pay amount	\$ 20.00
Less Co-pay	<u>\$ (10.00)</u>		
	\$ 40.00		
WGIHF’s normal benefits	\$ 40.00	Amount submitted for reimbursement	\$ 20.00
Reimbursement amount will be the lesser of the two			
Amount Reimbursed To The Participant:		\$20.00	
Participant’s Out-of-Pocket:		\$0.00	

Claim Example #2 – Participant paid the RX in full at the pharmacy or used the primary plan’s Mail-Order program. The pharmacy receipt is submitted to the primary plan for processing or you received your primary’s plan Mail Order invoice with your share of the cost. Submit a Medco COB claim form with a copy of your primary plan’s explanation of benefits statement or Mail Order invoice to Medco for processing. Here is how the claim may be processed.

FUND’S PRIMARY CALCULATION		AMOUNT SUBMITTED FOR SECONDARY PAYMENT	
WGIHF’S Approved Amount*	\$ 50.00	Primary Plan’s coinsurance and/or denied amount	\$ 80.00
Less Co-pay	<u>\$ (10.00)</u>		
	\$ 40.00		
WGIHF’s normal benefits	\$ 40.00	Amount submitted for reimbursement	\$ 80.00
Reimbursement amount will be the lesser of the two			
Amount Reimbursed To The Participant:		\$40.00	
Participant’s Out-of-Pocket:		\$40.00	

**Participating pharmacies have negotiated a lower rate for prescription drugs, so you will pay less and will not be responsible for the difference between the billed amount and the negotiated amount. If you go to a non-participating pharmacy, the allowed amount will be based on the highest dollar amount according to the plan formula and you will be responsible for the difference between the billed amount and the allowed amount.*

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If you have not submitted your current COB information within the last 12 months, please complete the enclosed COB questionnaire and forward to the WGIHF office. If your primary coverage has terminated, you will also need to complete the COB questionnaire to update our records. We may request an updated COB questionnaire yearly to keep our records current.

To assist you with your questions, we have included a Frequently Asked Question section on page 4. For further assistance, feel free to contact one of the WGIHF Participant Service Representatives at (818) 846-1015.

Sincerely,

Writers' Guild-Industry Health Fund

Enclosures

Prescription Drug Benefits - Coordination of Benefits (COB)
Frequently Asked Questions

Q: I use the WGIHF prescription card plan instead of my primary plan's program because you have the better plan. I have a 6 month mail order prescription that does not expire until October 1, 2007. Will Medco honor my prescription beyond July 1, 2007?

A: You will need to have the physician who ordered your medication to submit a new prescription to your primary carrier. No refills will be honored through Medco beyond July 1, 2007.

Q: I am not sure what I have listed as COB information for my dependent's file. How can I find out what is listed?

A: You can call the WGIHF office and speak with one of our Participant Service Representatives at (818) 846-1015, prompt 4.

Q: Medicare is my primary plan, are you sure my prescription will not be rejected?

A: Unless you have another primary plan besides Medicare, Medco will honor your prescription. If you experience problems, please call the WGIHF office for assistance.

Q: My spouse's coverage through her primary plan terminated, how can I be sure my file is correctly updated?

A: You can call the WGIHF office to confirm your file is updated and, if not, you can submit an updated COB questionnaire.

Q: I don't have access to the Internet, how can I obtain a copy of Medco's claim form?

A: You can call the WGIHF office and have one of the Participant Service Representative mail or fax you a copy.

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Dear Participant:

Your Writers' Guild-Industry Health Fund (FUND) Plan contains a Coordination of Benefits provision. Please respond to this questionnaire and return it to the FUND at the address listed below so we may update your records. Please be sure to sign and date this form on the reverse side.

SECTION A

Participant's Name: _____ ID# _____

Spouse' Name: _____ Employed? Yes No

If employed: Employer: _____

Phone #: _____

- I and/or my dependents do NOT have other group health insurance coverage. (**Complete Section C**)
- I and/or my dependents DO have other group health coverage (you **must complete Section B and C indicating the other coverage**).

SECTION B

Insurance Company Name/Health Fund _____

Phone#: _____ Policyholder/Participant's Name: _____

Identification Number: _____ Group Number: _____

Effective Date: _____ Policy Type: Medical Dental Rx

Active Coverage Retiree Coverage COBRA Coverage Individual Self-Pay

Covered Persons

Relationship

_____	_____
_____	_____
_____	_____
_____	_____

Please see reverse side

SECTION B (Continue)

Insurance Company Name/Health Fund _____

Phone#: _____ Policyholder/Participant's Name: _____

Identification Number: _____ Group Number: _____

Effective Date: _____ Policy Type: Medical Dental Rx

Active Coverage Retiree Coverage COBRA Coverage Individual Self-Pay

Covered Persons

Relationship

_____	_____
_____	_____
_____	_____
_____	_____

If you previously had coverage with another plan and it has terminated, please include a copy of the termination letter with this form.

SECTION C - A signature and date is required.

It is my responsibility to ensure that accurate information is maintained and kept updated regarding my other health/dental/Rx insurance. If other coverage is added or terminated for any individuals covered under my Writers' Guild-Industry Health Fund Plan, I must notify the Fund immediately.

I certify the above information is accurate.

Participant's Signature _____ Date: _____

THIS FORM MUST BE RETURNED TO THE FUND OFFICE AT THE ADDRESS BELOW TO EXPEDITE CLAIM PROCESSING.

WRITERS' GUILD-INDUSTRY HEALTH FUND
1015 N. HOLLYWOOD WAY
BURBANK, CA 91505
ATTN: CLAIMS DEPARTMENT

Phone Number: (818) 846-1015 or (800) 227-7863
Fax Number: (818) 566-8445 or 566-4416