

# Writers' Guild-Industry Health Fund

Terence L. Young, Chief Executive Officer

May 10, 2011

**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 & teleplay. Through the period ending June 30, 2011, you must earn \$33,681 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 2011 Theatrical and Television Minimum Basic Agreement, that minimum increases to **\$34,355**, effective May 2, 2011.

Consequently, starting **July 1, 2011**, the minimum of covered (reportable) earnings required for Health Fund eligibility will be **\$34,355, earned within four (4) consecutive calendar quarters**. This change will affect eligibility accrual periods beginning with the calendar quarter which commences July 1, 2011. 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 \$34,355, 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 **\$34,355**, 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>
June 30, 2011 – (\$33,681)	July 1, 2011 – Sept. 30, 2011	Oct. 1, 2011 – Sept. 30, 2012
Sept. 30, 2011 – ( <b>\$34,355</b> )	Oct. 2, 2011 – Dec. 31, 2011	Jan. 1, 2012 – Dec. 31, 2012
Dec. 31, 2011 – ( <b>\$34,355</b> )	Jan. 1, 2012 – March 31, 2012	April 1, 2012 – March 31, 2013
March 31, 2012 – ( <b>\$34,355</b> )	April 1, 2012 – June 30, 2012	July 1, 2012 – June 30, 2013
June 30, 2012 – ( <b>\$34,355</b> )	July 1, 2012 – Sept. 30, 2012	Oct. 1, 2012 – Sept. 30, 2013



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### **EXAMPLE OF CONTINUATION OF ELIGIBILITY**

If your earnings cycle is October 1, 2010 through September 30, 2011 or January 1, 2011 through December 31, 2011 or April 1, 2011 through March 31, 2012, and you earned at least \$33,681 in reportable earnings by June 30, 2011 you can qualify for an additional twelve (12) months of earned coverage.

**Or:**

If your earnings cycle ends Sept. 30, 2011, Dec. 31, 2011, or March 31, 2012 and you did not earn \$33,681 by June 30, 2011, but earned at least \$34,355 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>
July 1, 2010 – June 30, 2011	\$33,681	Oct. 1, 2010 – Sept. 30, 2011
Oct. 1, 2010 – Sept. 30, 2011	\$33,681 by June 30, 2010, \$34,355 thereafter	Jan. 1, 2011 – Dec. 31, 2011
Jan. 1, 2011 – Dec. 31, 2011	\$33,681 by June 30, 2011, \$34,355 thereafter	April 1, 2011 – March 31, 2012
April 1, 2011 – March 31, 2012	\$33,681 by June 30, 2011, \$34,355 thereafter	July 1, 2011 – June 30, 2012

### **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 *second point* 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.

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Earnings Minimum For Second Point	Earnings Cycle Effective Date	Earnings Cycle Effective Date	Earnings Cycle Effective Date	Earnings Cycle Effective Date
\$100,000		4/1/00	7/1/00	10/01/00
103,252	1/01/01	4/01/01	7/01/01	10/01/01
106,089	1/01/02	4/01/02	7/01/02	10/01/02
108,741	1/01/03	4/01/03	7/01/03	10/01/03
111,460	1/01/04	4/01/04	7/01/04	10/01/04
113,968	1/01/05	4/01/05	7/01/05	10/01/05
116,534	1/01/06	4/01/06	7/01/06	10/01/06
119,156	1/01/07	4/01/07	7/01/07	10/01/07, 1/01/08
122,731	4/01/08	7/01/08	10/01/08	1/01/09
126,413	7/01/09	10/01/09	1/01/10	4/01/10
130,205	7/01/10	10/01/10	1/01/11	4/01/11
<b>132,809</b>	<b>7/1/11</b>	<b>10/1/11</b>	<b>1/1/12</b>	<b>4/1/12</b>
<b>135,465</b>	<b>7/1/12</b>	<b>10/1/12</b>	<b>1/1/13</b>	<b>4/1/13</b>
<b>138,175</b>	<b>7/1/13</b>	<b>10/1/13</b>	<b>1/1/14</b>	<b>4/1/14</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 **\$132,809** for earnings cycles beginning July 1, 2011, October 1, 2011, January 1, 2012 and April 1, 2012.

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

One (1) additional or *third point* 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		4/01/00		10/01/00
200,000	1/01/01	4/01/01	7/01/01	10/01/01
200,000	1/01/02	4/01/02	7/01/02	10/01/02
200,000	1/01/03	4/01/03	7/01/03	10/01/03
200,000	1/01/04	4/01/04	7/01/04	10/01/04
204,500	1/01/05	4/01/05	7/01/05	10/01/05
209,101	1/01/06	4/01/06	7/01/06	10/01/06
213,806	1/01/07	4/01/07	7/01/07	10/01/07, 01/01/08
220,220	4/01/08	7/01/08	10/01/08	1/01/09

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226,827	7/01/09	10/01/09	1/01/10	4/01/10
233,631	7/01/10	10/01/10	1/01/11	4/01/11
<b>238,304</b>	<b>7/1/11</b>	<b>10/1/11</b>	<b>1/1/12</b>	<b>4/1/12</b>
<b>243,070</b>	<b>7/1/12</b>	<b>10/1/12</b>	<b>1/1/13</b>	<b>4/1/13</b>
<b>247,931</b>	<b>7/1/13</b>	<b>10/1/13</b>	<b>1/1/14</b>	<b>4/1/14</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 [\\$238,304](#) for earnings cycles beginning July 1, 2011, October 1, 2011, January 1, 2012, and April 1, 2012.

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**