



Writers' Guild-Industry Health Fund

Gregory L. Sulier, Chief Executive Officer

March 1, 2012

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 June 30, 2012, you must earn \$34,355 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 **\$34,956**, effective May 2, 2012.

Consequently, starting **July 1, 2012**, the minimum of covered (reportable) earnings required for Health Fund eligibility will be **\$34,956, earned within four (4) consecutive calendar quarters**. This change will affect eligibility accrual periods beginning with the calendar quarter which commences July 1, 2012. 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.

Examples of non-reportable compensation include but are not limited to: royalties, clips, character creation fees, options, theatrical residuals, over ceiling TV residuals, separated rights fees, publication fees, and amounts over the weekly 14K and 14E2 minimums (unless otherwise contracted).

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 \$34,956, 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 **\$34,956**, 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.

Earnings Cycle Ends	Lag Quarter	Coverage Cycle
March 31, 2012 - \$34,355	April 1, 2012 – June 30, 2012	July 1, 2012 – June 30, 2013
June 30, 2012 - \$34,355	July 1, 2012 – Sept. 30, 2012	Oct. 1, 2012 – Sept. 30, 2013
Sept. 30, 2012 - \$34,956	Oct. 1, 2012 – Dec. 31, 2012	Jan. 1, 2013 – Dec. 31, 2013
Dec. 31, 2012 - \$34,956	Jan. 1, 2013 – March 31, 2013	April 1, 2013 – March 31, 2014
March 31, 2013 - \$34,956	April 1, 2013 – June 30, 2013	July 1, 2013 – June 30, 2014
June 30, 2013 - \$34,956	July 1, 2013 – Sept. 30, 2013	Oct. 1, 2013 – Sept. 30, 2014
Sept. 30, 2013 - \$35,655	Oct. 1, 2013 – Dec. 31, 2013	Jan. 1, 2014 – Dec. 31, 2014

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EXAMPLE OF CONTINUATION OF ELIGIBILITY

If your earnings cycle ends September 30, 2012, December 31, 2012, or March 31, 2013 and you earned at least \$34,956 in reportable earnings by the end of your earnings cycle, you can qualify for an additional twelve (12) months of earned coverage.

However:

If your earnings cycle ends September 30, 2012, December 31, 2012, or March 31, 2013 and you did not earn \$34,956 by June 30, 2012, but earned at least \$34,355 by the end of your earnings cycle, you can qualify for another twelve (12) months of earned coverage.

Earnings Cycle	Minimum for Eligibility	Coverage Cycle
Oct. 1, 2011 – Sept. 30, 2012	\$34,355 by June 30, 2012, \$34,956 thereafter	Jan. 1, 2013 – Dec. 31, 2013
Jan. 1, 2012 – Dec. 31, 2012	\$34,355 by June 30, 2012, \$34,956 thereafter	April 1, 2013 – March 31, 2014
April 1, 2012 – March 31, 2013	\$34,355 by June 30, 2012, \$34,956 thereafter	July 1, 2013 – June 30, 2014
July 1, 2012 – June 30, 2013	\$34,956	Oct. 1, 2013 – Sept. 30, 2014

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.

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

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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
122,731	04/01/08	07/01/08	10/01/08	01/01/09
126,413	07/01/09	10/01/09	01/01/10	04/01/10
130,205	07/01/10	10/01/10	01/01/11	04/01/11
132,809	07/01/11	10/01/11	01/01/12	04/01/12
135,133	07/01/12	10/01/12	01/01/13	04/01/13

*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. For earnings cycles beginning July 1, 2012, October 1, 2012, January 1, 2013 and April 1, 2013 the *second point* is awarded at **\$135,133**.

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
220,220	04/01/08	07/01/08	10/01/08	01/01/09
226,827	07/01/09	10/01/09	01/01/10	04/01/10
233,631	07/01/10	10/01/10	01/01/11	04/01/11
238,304	7/01/11	10/01/11	01/13/12	04/01/12
242,474	7/01/12	10/01/12	01/01/13	04/01/13

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**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. For earnings cycles beginning July 1, 2012, October 1, 2012, January 1, 2013, and April 1, 2013 the *third point* is awarded at \$242,474.

If you should have any questions regarding the changes or their impact on your individual situation, please contact the Eligibility Department at (818) 846-1015, press “1”, then press “2” when prompted. Your call may be recorded for quality assurance.

Sincerely,

BOARD OF DIRECTORS/TRUSTEES