



# Writers' Guild-Industry Health Fund

Jim Hedges, Chief Executive Officer

May 1, 2015

Effective July 1, 2015, the minimum amount a writer must earn to qualify for healthcare coverage increases to \$37,368.

TO: ALL PARTICIPANTS

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

A writer currently qualifies for healthcare coverage by earning at least \$36,457 of *covered reportable compensation*, and can take up to four consecutive quarters to earn this amount. The sum is equal to the current WGA minimum for a one-hour network primetime story and teleplay.

As of July 1, 2015, the WGA minimums increase, and a writer must earn at least \$37,368 in the four consecutive quarter period in order to qualify for healthcare coverage.

## ***EXPLANATION OF EARNINGS CYCLE***

When you first become employed, your employer reports your earnings to the Health Fund. This starts your earnings cycle. If you earn the minimum required, you're covered for a year, after a one-quarter waiting period ("Lag Quarter"). You have four quarters in which to earn enough money to qualify for coverage.

## ***REAL WORLD SCENARIOS***

EXAMPLE 1 – Earning Cycle Ending 6/30/2015:

Let's say you earned \$10,000 in December of 2014, and then another \$26,457 on June 30, 2015 for a total of \$36,457. Congratulations! You qualify for a year of healthcare coverage.

There is a one-quarter waiting period ("Lag Quarter") between the quarter when you qualify and when your coverage actually begins. If you qualified by June of 2015, your coverage would begin on October 1, 2015, one quarter *after* the quarter in which you qualified, and continuing for one year until September 30, 2016.

EXAMPLE 2 Earning Cycle Ending 9/30/2015:

What happens if you earn \$10,000 in December of 2014, and then earn an additional \$26,457 on July 1, 2015? The \$26,457 would no longer be enough to qualify for healthcare coverage because as of July 1, 2015, the minimum increased to \$37,368. If you earned \$10,000 in December 2014, you would need to earn at least an additional \$27,368 no later than September 30, 2015 in order to qualify, not \$26,457 as would have been true a day earlier before minimums went up.

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Writers' Guild-Industry Health Fund**

If you earned the additional \$27,368 in July, August, or September of 2015, the Lag Quarter would be October 2015 through the end of December 2015 (one quarter after the quarter in which you first qualified), so in this case your healthcare coverage would begin on January 1, 2016 and end on December 31, 2016.

The healthcare coverage qualification rules are these: 1) You must earn *covered, reportable compensation* of at least the equivalent of the current minimum for a one-hour network primetime story and teleplay within four consecutive quarters, and 2) There is a one-quarter Lag Quarter before your healthcare coverage begins.

Minimum Earned:	Amount required to qualify:	Lag Quarter:	Coverage Begins:	Coverage Ends:	Qualifying date for next year:
7/1/2014 to 6/30/2015	\$36,457	3 <sup>rd</sup> quarter	10/1/2015	9/30/2016	6/30/2016
10/1/2014 to 9/30/2015	\$37,368	4 <sup>th</sup> quarter	1/1/2016	12/31/2016	9/30/2016
1/1/2015 to 12/31/2015	\$37,368	1 <sup>st</sup> quarter	4/1/2016	3/31/2017	12/31/2016
4/1/2015 to 3/31/2016	\$37,368	2 <sup>nd</sup> quarter	7/1/2016	6/30/2017	4/30/2017

Please note that if you have reached the ceiling on a project (\$250,000) or received compensation that is not subject to reporting, these earnings may not be applicable to Health Fund eligibility.

Non-reportable compensation includes: 1) excerpt payments, 2) royalties, 3) character payments, 4) options, 5) late fees, 6) expenses, 7) theatrical residuals, 8) over ceiling TV residuals, 9) separated rights payments, 10) publication fees, and 11) amounts over the weekly staff, 14K and 14E2 minimums (unless otherwise contracted).

For a one-hour daytime serial program, if you are a writer of thirteen (13) breakdowns during one thirteen-week cycle, who has been paid a total of less than \$37,368, you *may* still be eligible to receive one year's Health Fund eligibility.

Should you have any questions or concerns, we encourage you to contact the Administrative Office so that we may assist you. We are here to be your trusted guide.

Sincerely,

***BOARD OF DIRECTORS/TRUSTEES***