



# Focus



Spotlighting your DGC benefits program

April 2007

## “Moving on”

### *Switching insurance companies a first step toward change*

Last year at this time, we told you we were taking action. Results from our member survey had sent a clear message that you value your benefits, but also that there was room for improvement in coverage, communications and service. You’ve already heard about the improvements we made in 2006, including lowering deductibles for drug and dental claims, and improving vision care.

Now, we’re pleased to tell you about some important new progress. Effective July 1, 2007, we’ll be switching our insurance company from Equitable Life to Great-West Life. The move to Great-West Life is expected to accomplish three things:

- save the plan approximately \$300,000 over the next three years;
- give you access to a broad range of online services; and
- provide the Trustees with greater flexibility in terms of available benefits and plan design.

This is an important first step in our efforts to improve coverage, communications and service. It’s a step that will help give us the financial and administrative flexibility we need to introduce meaningful change.

Over the next year or so, we’ll be establishing some “history” with Great-West Life. This will include collecting data on overall plan usage that we can use to develop a range of options for changing how you qualify for coverage and for improving the plan. We hope to hold focus groups in early 2008 to get member feedback on those options. If all goes as planned, we could see meaningful plan changes within the next two years.

For the time being, we encourage you to read this newsletter carefully. It provides important information that you need to know about the transition to Great-West Life.

### Action required!

The switch to Great-West Life means you need to take action. You need to:

- re-enroll in the Health & Welfare Plan by June 29, 2007 (just as we normally do each year); and
- make sure you submit any claims for health, drug or dental expenses incurred before July 1, 2007, to Equitable Life *no later than* September 30, 2007.

Missing the above deadlines may cost you money and valuable coverage. For details, see “Switching to Great-West Life” on page 2.

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# Switching to Great-West Life



## Here's what you need to know

The move from Equitable Life to Great-West Life is good news. It will save money, give us more flexibility to improve the plan, and result in an immediate availability of online services.

That said, the move will require some action on your part. And there are some important things you need to know about. Here are the facts.

What you need to know	What it means for you
You <b>MUST</b> re-enroll by June 29, 2007	<ul style="list-style-type: none"> <li>You <b>MUST</b> complete your annual re-enrolment in the Health &amp; Welfare Plan by June 29, 2007. This is necessary to:               <ul style="list-style-type: none"> <li>confirm your coverage level,</li> <li>update and confirm your beneficiary(ies),</li> <li>provide Great-West Life and J&amp;D Benefits with up-to-date information about you,</li> <li>give Great-West Life permission to use your personal information to administer your health and welfare benefits.</li> </ul> </li> </ul>
Expenses incurred before July 1, 2007, must be claimed by September 30, 2007	<ul style="list-style-type: none"> <li>Health, drug and dental expenses incurred before July 1, 2007, must be submitted to Equitable Life by September 30, 2007 – <b>or they will not be reimbursed.</b></li> <li>Health, drug and dental expenses incurred on or after July 1, 2007, must be submitted to Great-West Life within 18 months of the date of the expense.</li> </ul>
Your claims history will be transferred to Great-West Life	<ul style="list-style-type: none"> <li>Your 2007 history of health and dental claims will be transferred to Great-West Life. This will allow Great-West Life to track your deductibles and maximums as though no change in insurer had occurred.</li> </ul>
There will be a new plan policy number as of July 1, 2007	<ul style="list-style-type: none"> <li>When we switch to Great-West Life, our policy number will change to 159947. This number, together with your personal ID number, is your key to coverage under the plan. To avoid any delays in processing your claims, please be sure these numbers appear on any forms you send to Great-West Life.</li> <li>Don't forget to update both your pharmacist and your dentist on the change to Great-West Life the first time you visit after July 1, 2007.</li> </ul>
You'll receive three new cards	<ol style="list-style-type: none"> <li>A wallet ID card with our new Great-West Life policy number, your new personal ID number, and your division number. You should carry this card with you at all times.</li> <li>A new drug card to be used when filling drug prescriptions after June 30, 2007, when your current card will expire (you must have One, Two, Three, Four or Five Star coverage).</li> <li>A Global Medical Assistance card to carry when you travel outside your province of residence (you must have One, Two, Three, Four or Five Star coverage). Global Medical Assistance can help provide access to a range of medical and non-medical services, including direct payment to medical providers.</li> </ol>
If you have questions	<ul style="list-style-type: none"> <li>If you have questions about your health or dental benefits, you can contact Great-West Life at 1-800-263-5742, or visit the Great-West Life website at <a href="http://www.greatwestlife.com">www.greatwestlife.com</a>. You can still call J&amp;D Benefits for assistance.</li> </ul>
You can access information online	<ul style="list-style-type: none"> <li>Once our enrolment is complete, you'll be able to access online services via Great-West Life at <i>GroupNet</i>. Using <i>GroupNet</i>, you can:               <ul style="list-style-type: none"> <li>access information on your coverage;</li> <li>track the status of your claims;</li> <li>find personalized, pre-filled claim forms, wallet ID cards; and</li> <li>obtain health and wellness information.</li> </ul> </li> <li>You can sign up for and access <i>GroupNet</i> via the Great-West Life website 24-7, at <a href="http://www.greatwestlife.com">www.greatwestlife.com</a>.</li> </ul>

## We shall SIN no more

The DGC is giving up SINS – social insurance numbers – at least when it comes to administering your health and welfare benefits.

Starting July 1, 2007, your DGC membership number will be used to identify you, instead of your SIN. The change comes after a number of members called the DGC asking that their SIN no longer be used due to concerns over identity theft.

# Retiree benefits a “no go”

## *High cost puts kibosh on worthy idea*

Unmanageable costs and a growing liability are the main reasons the DGC's Health & Welfare Trustees had to give up the idea of providing long-service members with free benefits coverage after retirement.

At first, the idea of providing long-service members with retiree coverage sounded like a good one. Unfortunately, the research – and our professional advisers – suggest otherwise.

Currently, the plan does not provide coverage options for retired members. Nor does it allow members to bank contributions that could be used in later years. So, based on member support for the idea of retiree benefits, the Trustees agreed to look into it.

Here's what they discovered:

- The cost of providing retired members with health and welfare benefits is something that the plan is simply not able to absorb. Providing even minimal coverage, such as Plan B, would cost the plan an estimated \$30,000 this year alone for current retirees. This cost would grow with inflation and would increase further as more members retired (and current retirees aged).
- A review of other arts-based organizations found that none – including ACTRA, DGA and IATSE – provide long-standing members with any meaningful form of retiree benefits without cost to the member.

# Adding up the numbers

## *Making sure our plan is in for the long haul*

After a tough year in 2004, the DGC Health & Welfare Plan has seen two positive years and our plan funding is now exactly where we want it to be.

The plan's formal funding goal is to provide for 30 months of plan costs (\$10 million). This may seem like a lot, but building a safety net like this is standard practice for plans such as ours. It's particularly important in our industry, which doesn't afford the luxury of steady monthly contributions and where work levels can swing widely.

Not only does this approach to funding help with ongoing budgeting, it gives the Trustees time to react if productions (and contribution income) suddenly fall off (something that is all too much of a reality for our business – remember the SARS outbreak?).

Currently, the plan has \$6.3 million in assets and indications are that it should reach its target of about \$3.8 million in producer contributions this year. True, the plan got off to a slow start in 2007, but with the ACTRA/CFTPA strike behind us and the warmer weather on its way, we expect work levels to bounce back and the hope is that the remainder of the year will be strong.

Also, the DGC recently negotiated and ratified an increase in producer contributions. Effective March 2007, contributions are now on average 4% of member compensation (based on budget tier level), up from 3%.

Bottom line: we're on track to achieve our funding goal. This will not only help ensure the future viability of your benefits, it will give us added flexibility as we explore ways to make your plan even more meaningful for you. In fact, the Trustees have already suggested some additional improvements. We'll keep you posted!



# Tips from the trade

## Helpful hints to maximize your benefits

The benefits world isn't static. Healthcare practice is continually evolving and provincial healthcare programs are constantly being revised. Depending on where you live, the following changes may affect your benefits coverage.

### Acupuncture in Ontario

New rules restrict who can perform acupuncture in Ontario. Under legislation passed in December 2006, acupuncture can be performed only by:

- members of the new College of Traditional Chinese Medicine Practitioners and Acupuncturists of Ontario,
- members of certain other regulated health professions, and
- individuals who perform acupuncture within a hospital.

### Drug coverage in Quebec

If you live in Quebec and were issued a Quebec health insurance card, you and your family are required to have drug insurance

provided by either:

- a group insurance plan, if you are eligible and the coverage is at least equivalent to that provided under the Quebec prescription drug insurance plan; or
- the Quebec prescription drug insurance plan, if you and your family are not eligible for a group insurance plan.

What does this mean to you? If you qualify for Plan A or Plan B, you *must* upgrade your coverage during our annual re-enrolment by adding the Quebec Drugs Only plan, which covers you and your dependants.

If you qualify for One, Two or Three Star coverage (and you have dependants), you *must* upgrade your coverage during our annual re-enrolment to include the Quebec Drugs Only plan, or upgrade to Four or Five Star coverage.

In each of the above cases, you are not required to upgrade if you provide the DGC Trust with proof that you have drug coverage through another source (such as your spouse's plan or another industry plan) that is at least equivalent to the Quebec prescription drug program.

# Myth-busters

## Sorting out fact from fiction

There are some people who believe that you shouldn't let the facts get in the way of a good story. Turns out there are still others who think you shouldn't let the facts get in the way of a good benefits plan. So, once again, we'd like to dispel some of the more prevalent myths about your benefits program. Here are some hard facts.



### The myth

To upgrade my Health & Welfare coverage, I only have to pay the difference between my earned producer contributions and the minimum amount of producer contributions required to qualify for a higher (more costly) level of coverage.

### The real story

The contributions you earn in the past are used to determine which level of coverage you qualify for. They do not reflect the actual cost of providing your benefits and have no value in the current year because the plan relies on current year contributions to pay for current year costs.

There are only two ways to upgrade your coverage:

1. you *earn* enough producer contributions through Guild contracts to get you to the next level (you cannot make producer contributions on your own behalf, even if you own a production company); or
2. you pay the specified upgrade cost, which is based on the actual cost of upgrading your coverage level this year. For example, if you have \$1,750 in producer contributions, it may seem like you are only \$50 short of the \$1,800 needed to qualify for Three Star coverage. But you actually have to pay \$350 – the full specified upgrade cost to move from Two Star to Three Star coverage.

For details on exactly what it costs to top up your coverage, refer to the *Plan Summary Brochure*, to be distributed in your enrolment kit in mid May.

Endodontics (root canal therapy) and periodontics (treatment of the gums) are all reimbursed at 75%.

While a 75% reimbursement rate for these services would be nice, it's not reality. In fact, reimbursement rates vary depending on the level of coverage you have.

- Endodontics and periodontics are reimbursed at 50% for One, Two and Four Star coverage, and at 60% for Three and Five Star coverage. Endodontics and periodontics are not covered at all under Plan A or B.

Part of my DGC dues goes toward the cost of my benefits.

Not true. All DGC dues go directly to operating the Guild. Not one penny is used to pay for your benefits. The Health & Welfare Plan is funded entirely by producer contributions and member-paid upgrade premiums.

## About this bulletin

This issue of *Focus* provides summary information about your DGC Health & Welfare Program. It is not intended to be complete or comprehensive, or to provide financial, legal or medical advice. If there are any discrepancies between this bulletin and the wording of the legal documents that govern the DGC Health & Welfare Program, the legal documents will apply in all cases. Any decisions you make based on the information provided in this bulletin are your responsibility.

If you have questions about the DGC Health & Welfare Program, please contact either Suzanne Maunder or Justin Wagar at 416-482-6640 (toll-free at 1-888-972-0098).