

EQUITY – LEAGUE

*If It's News, It's In This Issue*

NOVEMBER 2009

Welcome to Our Fall 2009  
Issue of *Now Playing*



With the change in seasons come some major changes  
in the Equity-League Funds, and some reminders,

*including:*

1. **New default investment options** under the 401(k) plan and an additional Large Cap option
2. **Improved In-Network Physical Therapy and Chiropractic benefits but a new benefit limit** is set as well
3. **Required use of the CIGNA Mail Order pharmacy** for certain prescription drugs (if you receive your health coverage under the Open Access Plan (“OAP”) administered by CIGNA)
4. **A reminder** about mandatory **Generic drug program** for certain drugs
5. One page **benefit summary charts** (inserted between pages 4 and 5) of the **Pension** and **401(k)** plans (two large pages were needed for the **Health** Fund—one for eligibility and the other for benefits)
6. **New Extended Hours** for CIGNA Customer Service
7. Premium Payment **Deadline Reminders**
8. **Health Open Enrollment** Period Reminder
9. Filing **Contact Information with the AEA and the Fund** separately
10. HIPAA Privacy Notice
11. A Change in **Fund Office Phone Service Hours**
12. Motion Picture & Television Healthcare System now in CIGNA’s network
13. **Important Reminder About the Women’s Health and Cancer Rights Act**

## Davis Vision Care Benefits Improved

We are happy to announce that a number of improvements will be made in the Davis Vision Care benefit effective October 1, 2009. First, and perhaps most importantly, eye exams will be covered on an annual basis instead of every two years. In addition, the in-network credit for non-plan frames (in frame stock but not from the Davis Vision Collection) will be increased from \$30 all the way to \$100. There will also be a 20% discount for any amount in excess of \$100. The in-network credit allowance for contact lenses that are not in the Davis formulary will be increased from \$75 to \$115. There will also be a 15% discount for any amount over \$115. The copay for formulary contact lenses will change from \$25 for existing wearers and \$45 for new wearers to \$25 for all wearers.

## New Challenges and Opportunities Lead to Major Changes in the 401(k) and Health Funds

In their ongoing efforts to provide the best benefits at the lowest cost, the Trustees have been carefully monitoring the Pension, Health and 401(k) Funds. While the Pension Plan has suffered investment losses, its investments have fared better overall than a number of industry benchmarks, and the Pension Plan is expected to remain in the “green zone.” However, the losses that have been experienced on the 401(k) Fund have caused the Trustees to conduct a careful review of the default invest-

ments offered and the result of that review has been the decision to make a change in some of those investment vehicles. Similarly, while the Health Fund continues to operate on a sound basis, the Trustees have decided to implement some significant plan changes in an effort to reduce unnecessary expenditures while preserving the core benefits of the plan. These changes and other developments are explained in this issue of *Now Playing*.

## Trustees Select Manning & Napier as the Default Investment Vehicle for the 401(k) Fund, and Add a New Option

The Board of Trustees of the Equity-League 401(k) Trust Fund continually strives to offer a mix of investment options that will meet the diverse needs of all plan participants. As part of this effort, the Trustees are pleased to introduce, effective **January 1, 2010**, a new portfolio of default investment vehicles from Manning & Napier Advisors, Inc. (Manning & Napier) which will replace similar investment options that have been available since 2007 through T. Rowe Price.

Over the past several months, in view of changing market conditions, and an expansion in the range of investment vehicles available through the Mass Mutual platform, the Trustees conducted a careful review of investment alternatives, with the advice of the consultants from Segal Advisors. After careful consideration, the Trustees selected the firm of Manning & Napier to provide a series of “target date” investment options as the default investment vehicle for 401(k) plan participants. Therefore, effective January 1, 2010, the Manning & Napier Target Retirement Series will replace the T. Rowe Price Retirement Series that is currently available.

As a result, beginning on January 1, 2010, if you were in the default T. Rowe Price Retirement Series, your monies in that investment

vehicle will be transferred to a Manning & Napier investment vehicle with the same target retirement date. For instance, if you were in the T. Rowe Price 2040 Fund, you will be transferred to the Manning Napier 2040 Fund. The T. Rowe Price options will not be available after December 31, 2009.

With more than 30 years of experience in managing lifecycle portfolios, Manning & Napier is considered a pioneer in lifecycle fund management. In contrast to some target date investment options, asset allocation target strategies for the Manning & Napier Target Retirement Series are not predetermined; instead, the fund managers actively adjust the Funds’ equity exposure to maintain the asset allocation for each fund within a particular range. This means that fund managers can easily adjust to changes in market conditions, and investors can benefit from daily professional management.

Manning & Napier’s team of investment professionals carefully selects and actively manages the mix of investments in each fund to help ensure investors are appropriately invested as the markets experience both ups and downs.

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## Manning & Napier

The Target Funds become more conservative as the target date nears and will continue to become more conservative for several years following the target date. At six years beyond the target retirement date, the Funds continue to be actively managed with an emphasis on preserving capital, while maintaining the potential for modest growth through limited stock exposure.

For further information on Manning & Napier and the funds they offer, please visit [www.ontheos.com](http://www.ontheos.com). In addition, you will be receiving a mailing from MassMutual in November that outlines the changes and new investment options available under the 401(k) plan in January of 2010.

## BlackRock Equity Dividend

In addition to the changes being made in the default investment options, the Trustees have decided to offer an additional investment option in the “Large Cap” category—BlackRock Equity Dividend, which focuses on investments in the common stock of large capitalization domestic companies.

You will receive more information on these new investment options as we get closer to the date of the change. In the meantime, please feel free to contact MassMutual at 1-800-74-FLASHSM (35274) with questions regarding Manning & Napier and Black Rock.

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## Changes In Prescription Drug and Physical Therapy/Chiropractic Benefits Effective January 1, 2010 as the Battle Against Rising Health Care Costs Continues

While the overall economy has been slowing down, the rise in health care costs is not abating. This past plan year alone, the Health Fund saw a 12% increase in claims costs per member relative to the prior year. In order to better understand the causes of these increases, the Trustees ordered the most far reaching claims analysis ever to be performed for the Health Fund. The plan actuaries, The Segal Company, Care Data (a claims analytics firm) and CIGNA worked together on the analysis and some real areas of concern were identified: a) high utilization of certain Physical Therapy and Chiropractic services, especially among out-of-network providers, and b) lack of use of CIGNA’s mail order prescription drug service, even for drugs used at the same dosage levels for years at a time.

The study indicated that the utilization of certain Physical Therapy and Chiropractic services by Fund participants was many times the level that is typically seen within health plans. In addition, while more than

75% of the overall medical care received by plan participants is from providers within the CIGNA network, more than 75% of care from Physical Therapists and Chiropractors is from out-of-network providers. These two factors combined—high utilization of Chiropractic/Physical Therapy services, and high utilization of out-of-network providers—has led to a cost level for these treatments that is much higher than for most health plans. Only a portion of the high costs can be explained by the high level of physical activity characteristic of certain Fund participants (e.g., dancers).

A second area of concern identified in the study was the level of use of CIGNA’s mail order drug program for maintenance drugs (drugs that tend to be used at constant levels over long periods of time, such as hormone replacement therapies and other therapies for chronic conditions). The study showed that members used CIGNA’s mail order program at a far lower level than members in most other health plans.

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## An Enhancement in Physical Therapy (PT) and Chiropractic Benefits, but Some Limits As Well

While the “knee jerk” reaction to high therapy and chiropractic costs is often to reduce benefits, the Trustees took a much more balanced approach. First, noting the poor utilization of network therapy and chiropractic providers, they have requested that CIGNA make vigorous efforts to recruit more Physical Therapy and Chiropractic providers into their network, particularly the providers who treat our participants in high volumes. And this is an area where the Fund can use your help. If you currently obtain these services through an out-of-network provider, please ask your provider to consider joining the CIGNA network. If they do, costs will be reduced for both you and the Fund. If your provider signifies interest, please contact the Fund Office and we will ask CIGNA to get in touch with your provider. Although adding a provider to

a network often takes time, in many cases it can be accomplished.

Second, the Trustees are actually reducing copays for in-network PT and Chiropractic providers, from \$25 to \$15, in hopes that this will encourage members to use in-network providers, even if doing so means changing a provider.

Finally, a \$4000 annual cap will be placed on certain Chiropractic and PT treatments, to limit costs to the plan. It is hoped that this combination of initiatives will rein in the high cost of care in these areas while actually enabling plan participants to enjoy better benefits, by utilizing network providers. These benefit changes will take place on **January 1, 2010**.

## Mandatory Mail Order Prescription Drug Program

Those who think that being on the road would make a mail order drug plan inaccessible to them might be surprised to learn that CIGNA can deliver drugs almost anywhere (including hotels and theatres) within 72 hours. In addition, the address to which drugs are sent can be easily changed many times per year, without any change being made to your permanent address.

Mail Order drugs are generally less expensive than drugs secured through local pharmacies and members can benefit from substantial savings on copays when they use the mail order system. At the same time, the Fund realizes much greater discounts on mail order drugs than they do when drugs are secured from a pharmacy. So the use of the mail order drug program is truly a win/win situation.

Therefore, **effective January 1, 2010** the use of mail order for “maintenance” drugs will be required after the first time a new prescription is written and has been refilled at a local pharmacy. Mail order can be used immediately instead of you having to go to a local pharmacy—and this is preferable for prescriptions written on drugs that you have been taking for a while. However, for drugs that are newly prescribed to you, or for situations in which a new dose of a drug you have been taking is ordered by your physician, it is recommended that you secure your first 30 day supply of drugs locally. This helps to assure that the drug is both effective in treating your condition and does not generate serious side effects, before you begin to take that drug on a long term basis.

## A Reminder Regarding the Generic Drug Program that Began on July 1, 2009

You have probably already heard about an additional finding of the claims analysis—that member utilization of generic drugs is very low in comparison with other health plans (a letter explaining this was sent to all Health Fund participants in June). Utilization of generic drugs that treat high blood pressure, high cholesterol and acid reflux was particularly low.

As a result, a mandatory generic drug program for drugs that treat these conditions went into effect on July 1, 2009. Under this program,

the Fund will only pay for generic drugs that treat high blood pressure, high cholesterol and acid reflux (unless your doctor secures prior approval from CIGNA to use a brand name drug instead, or there is no viable generic drug available for your situation).

The Trustees do not like the idea of not paying for brand name drugs, non-mail order maintenance drugs, or certain forms of therapy, but the continued rise in health care costs require the Fund to be ever more vigilant in controlling costs.

## One Page Benefit Summaries

**Did you know there are three ways that you can collect your pension**, other than waiting until you reach normal retirement age? Did you know that by retiring early (at age 60) and providing a 100% survivor benefit to a spouse who is 15 years younger than you, you would reduce your monthly pension payment by more than 50% (relative to what it would have been had you retired at 65 and elected no survivor benefits for your spouse)? Did you know that you could become vested in the pension plan with less than 5 years of covered employment, depending on the timing of that employment and your age during it?

**The OAP Medical Plan administered by CIGNA generally pays for nearly 100% of your in-network medical costs. If you go to non-Network providers, the OAP generally reimburses you 70% of your out-of-network medical costs (after a deductible). But did you know that you could end up paying for more than 50% of your medical costs if you don't ask your non-Network provider one simple question? Did you know there is an automatic \$250**

**penalty if you fail to pre-certify certain in-patient, non-emergency procedures?**

If you didn't know the answers to any of the above questions, or simply have had the nagging feeling that you don't really understand your benefits, the benefit summaries that appear in this newsletter have been designed to help you get a better picture of the benefits you have worked so hard to earn.

This newsletter contains several summary charts that graphically display some of the key features of your pension, health and 401(k) benefits. Spend a few minutes with each, and you will no doubt feel more comfortable that you know how your benefits work, how they can help you, and some of the pitfalls to avoid when you use those benefits. Naturally, these summaries necessarily leave out details of those plans, and where there is any conflict between the summaries and the summary plan description or other plan documents, the latter always govern. But we think you'll find the summaries relatively easy to follow and remember.

**CIGNA  
Customer  
Service  
Available 24/7**

We are delighted to announce that CIGNA customer and health provider service is now available 24 hours a day, 7 days a week and 365 days per year. CIGNA's customer service includes their medical, dental and prescription drug programs. The phone number for customer service remains as it was before—800.244.6224 (the number that is on the back of your CIGNA ID card). With this new initiative, CIGNA places itself on the leading edge of customer service availability in the health insurance world and we applaud them for their initiative in undertaking this enhanced customer service effort.

## New Fund Office Phone Service Hours—9:30 AM to 7:00 PM, ET

After the closing of the Chicago and LA satellite offices several years ago, the phone service hours in the NY Fund Office were extended from 5:30 PM to 8:00 PM. However, after several years of offering late service, it has become apparent that utilization of the service after 7:00 PM was virtually nil. On the other hand, in order to offer the service between the hours of 7 and 8 PM, we had to lose some staff member availability from the hours of 9:30 AM until 11:00 AM—often peak hours of phone activity. Therefore, the Fund Office has decided to eliminate service after 7 PM, so that service before 11:00 AM can be enhanced. Remember that you can always leave a phone message before the office opens, or after it closes, and we are committed to getting back to you within 24 hours.

## November is Open Enrollment Month for the Health Fund

**The Health Fund has its Annual Open Enrollment Period in November of 2009.** During that period, you can change your benefit options, such as dependent and dental coverage and switch from an available HMO to CIGNA OAP or vice versa. If you do not wish to make any changes in your present coverage, you needn't do anything during the open enrollment period, but if you want to make a change, it must be done by November 30th, otherwise you generally lose your opportunity to make a change until the following November (all changes actually take effect on January 1, 2010).

In an effort to be green, the Fund Office no longer automatically mails paper enrollment packages to eligible participants. All of the forms necessary to make any changes are available online, at: <http://www.equityleague.org/health/index.html>. If you prefer, you can call the Fund Office and request a paper kit, at 212.869.9380 or 800.344.5220.

## Premium Payment Reminders—IMPORTANT!

**Please remember these key deadlines for premium payments to the Health Fund:**

The \$100 quarterly payment for employee medical, prescription drug and vision coverage earned through weeks worked is always due one month before the beginning of a calendar quarter (e.g., September 1, 2009 for the quarter beginning on October 1, 2009 and December 1, 2009 for the quarter beginning on January 1, 2010. While the payment is due one month before the quarter, payment will be accepted as late as the day before the quarter begins (e.g., September 30, 2009 for the quarter beginning on October 1, 2009 and December 31, 2009 for the quarter beginning on January 1, 2010. However, payments must be received by the Fund Office by those

deadlines, regardless of when they are sent. Payments received once the quarter begins will not be accepted (e.g., payments made on or after October 1, 2009 for the quarter beginning on October 1, 2009 will not be accepted and coverage will be lost).

For all other (self-pay) coverages, premiums are due by the end of the month for coverage in that month (e.g., by December 31 for the month of December). However, please be aware that if you wait until the end of the month to pay your premiums, any providers who you access during the month may understand you to be uncovered and may require that you pay for all services up front.

## Important Reminder About the Women's Health and Cancer Rights Act

The Women's Health and Cancer Rights Act is a federal law that provides protection for breast cancer patients who elect breast reconstruction in connection with a mastectomy. All group health plans, including HMOs, that provide medical and surgical benefits in connection with a mastectomy must also provide for reconstructive surgery, in a manner determined in consultation with the patient and attending physician. If you or an enrolled dependent are a breast cancer patient, you should know that in addition to providing medical and surgical benefits in connection with a mastectomy, your Equity-League Health Fund coverage also includes the following:

- reconstruction of the breast on which the mastectomy was performed;
- surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Protheses and treatment of physical complications at all stages of mastectomy, including lymphedemas.

This coverage is subject to applicable co-pays, referral requirements, annual deductibles and coinsurance provisions. You should review the provision of your plan regarding any such restrictions that may apply. If you have any questions about this coverage, please contact the Fund Office.

## Changes in Contact Information Must Be Communicated to The Equity-League Trust Funds (Health, Pension and 401(k)) and Actors' Equity Association—Separately

We wanted to remind you that all three of the Equity-League Funds are legally, financially and physically separate entities from Actors' Equity Association (AEA). In addition, our administration systems will soon be completely separate as well. The Fund Office has purchased a new benefits administration system which will offer major new advantages to you in terms of tracking your benefits, and to the Fund Office staff in terms of providing better service to you. But this system will be completely separate from the AEA system. Therefore, **beginning on January 1, 2010, you will need to communicate any changes in your contact information, separately, to the Funds and Actors' Equity.**

The Fund Office makes significant efforts to keep in touch with plan participants, particularly when it comes to critical things such as premiums due (since failure to make timely payments results in a loss of coverage). Beginning some time in 2010, the Fund Office will, for the first time, be using an administration system that is completely separate from the Actors' Equity system. Therefore, you can no longer merely provide contact information (such as your mailing address, e-mail address and phone number) to Actors' Equity Association and rely on them to inform the Fund Office, or vice versa. When you make a change in any of your contact information, you must let the Fund Office know as soon as possible. Please be aware that if you didn't receive a bill, a bill reminder or an e-mail reminder

regarding monies due, you will not be permitted to make a late payment just because your contact information changed. All of the aforementioned contact information is relied upon by the Fund Office when it tries to contact you. If you let that information get out of date, you will not receive it.

While the separate systems are something new (the Fund Office and Actors' Equity used to share some aspects of the same system), the legal and physical separation of these two entities has always existed. The "Union" does not provide health, pension or 401(k) benefits to its members, only the Funds do that. The Union does not run the Funds. Rather the Trustees of those Funds, only half of whom are Union representatives (the rest of the Trustees represent employers) govern the Funds. And the Fund Office staff serves the Trustees on both sides equally, not solely the Union (and the Fund Office staff is not part of the Actors' Equity Association staff).

We in the Fund Office often receive phone calls, e-mails and letters that complain the "Union" has failed to serve the needs of the members in some way. If there is a failing in this regard, it falls on the Fund Office staff and the Trustees that oversee them, not with the Union. So if there is something the Fund Office does that is not satisfactory to you, please don't blame the Union, blame the Funds instead and let the Fund Office and Fund Trustees know about it.

## Motion Picture & Television Fund Health Centers Added to the CIGNA Network

We are happy to report that, through the initial efforts of Trustee John Connolly, and subsequent work between the provider and CIGNA, the Motion Picture & Television Fund's Health Centers have been added to the CIGNA Open Access Plus (OAP) plan. Our members in California well know the wonderful work these facilities do and we are happy to see them become part of the CIGNA network.

## HIPAA Privacy Notice

If you would like to see the plan's HIPAA Notice of Privacy Practices, or even get your own copy, please visit [www.equityleague.org/health/health\\_privacy.html](http://www.equityleague.org/health/health_privacy.html), or contact: Privacy Officer, Equity League Health Trust Fund, 165 W. 46th Street, 14th Floor,

New York, NY, 10036 or call 212.869.9380, or the toll-free number, 800.344.5220. The Notice describes how the plan uses and discloses protected health information, and it also discusses important federal rights that you have with respect to your protected health information.

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# NOW PLAYING

**This newsletter is a publication of the Board of Trustees of the Equity-League Trust Funds. Additional copies are available upon request, or online at our website ([www.equityleague.org](http://www.equityleague.org)). For any questions about the newsletter or your benefits, contact The Fund Office, Equity-League Pension, Health and 401(k) Funds, 165 West 46th Street, 14th Floor, New York, NY 10036-2582. To call the Fund Office from the NYC area, phone 1-212-869-9380; if you're calling from outside the NYC area, call the Fund Office toll-free at 1-800-344-5220.**

To the extent that any of the information contained in this newsletter is inconsistent with the official Plan documents (which, of course, includes the Trustees' rights to amend or modify the Plans at any time), the Plan documents will govern in all cases. No official (other than the Trustees) has any authority to interpret the Plans, or other official Plan documents, or to make any promises to you about them.