



ORGANIZER



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Motion Picture Industry Health Plans Among The Strongest in the Nation: Make Sure You Protect Them!

August 30, 2005 was just like any other day for the thousands of members of the IATSE West Coast Studio Locals, but it shouldn't have been. That's because August 30, 2005 was the day the U.S. Census Bureau released data showing that the number of Americans without health insurance had risen to 45.8 million. That figure is *six million more* than the number of uninsured Americans in 2000, and represents the third successive year of deterioration in health insurance coverage in the world's most advanced and democratic nation.

Given that the numbers for 2006 are predicted to be as equally sobering, as will 2007, 2008 and on into the next decade, August 30, 2005 should have been a day every single member of the West Coast Studio Locals looked in the mirror and said: "Thank goodness our motion picture industry (MPI) health plan is among the best in the nation. Now, what steps need to be taken to ensure that we keep it that way to protect our union families for years to come?"

Let's be very clear about what has happened to health insurance coverage in the last ten years, and how, despite a financial assault on its very foundation, your MPI Health Plan has not only weathered the storm, it has made benefit enhancements that would have workers in most other industries green with envy.

During the period 1996 to May 2005, health care cost inflation increased nationally by more than 15 percent per year. That's a 135 percent rise in less than a decade! Skyrocketing health care costs have put tremendous pressure on health insurance plans in every industry in the nation, resulting in tougher eligibility requirements, higher monthly payments, and co-payment requirements.

In 2004 alone, your MPI Health Plan paid \$301 million out of the Active Member Plan, and \$77 million from the Retiree Plan. That means that with an assumed level of inflation of 10 percent, with no changes in benefits and the same level of utilization, the cost to maintain your MPI Health Plan could double in as little as seven to eight years! The old days of Americans feeling entitled to every single benefit available are quickly coming to an end due to these stark economic facts.

Don't take the U.S. Census Bureau's word for it. Just ask workers at two of the nation's strongest corporations, General Motors and Lucent Technologies. GM, the world's largest automaker, recently slashed health benefits for its more than 340,000 employees because they were too expensive to maintain; telecommunications giant, Lucent, whose recent merger with Alcatel made it a \$25 billion company, told its retirees that they would have to pay for the entire cost of their continuing health coverage. And the assault on worker's health plans now extends to the public sector: an article last year in *Fortune* described health benefits for retiring city and county workers as a "time bomb quietly ticking away in the nether lands of state and local government." As Phillip Mattera, director of the Washington D.C.-based

Corporate Research Project, a non-profit group that provides analysis of American corporations and industries to labor organizations, noted in an e-letter last year: “Apparently, giving retired firefighters access to quality health coverage is now a form of fiscal terrorism.”

Despite the financial crisis that has beset health insurance in the last ten years, MPI Health Plans have remained on firm economic footing. Benefits have substantially increased while eligibility levels have been maintained at a very modest requirement of 300 hours of covered work every six months. Mergers of the benefit plans of former Locals 644 and 666, and Local 700 into the MPI Plans provided members of those locals access to quality health insurance. Unlike the majority of health plans in the United States, MPI plan members continue to enjoy **no monthly premiums** and **extremely low co-pays**. In fact, through relatively minor modifications (effective August 1, 2006), MPI Plan benefits will continue to surpass current nationwide employee benefit norms.

Here’s just a small sampling of the additional benefits MPI Plan members have been able to enjoy over the last decade. Keep in mind these were **benefit enhancements** for IATSE participants, even as other industries, like automobile, steel, and transportation, were slashing health insurance benefits to the bone.

- 1996 Addition of Health Net & Industry Advantage HMOs
- 1996 Addition of PCS Mail Order Service
- 1997 Reduction of Delta Dental Deductible by 50 percent
- 1997 Addition of Blue Cross Physician Network
- 1998 Hearing Aids for Active Eligible Participants
- 1998 Retiree Comprehensive Physical Examinations
- 1999 Attention Deficit/Hyperactivity Disorder covered
- 1999 Blue Cross/Out-of-State Hospital Claims added
- 2000 Lifetime maximum benefits increased by 100 percent
- 2000 Birth Control Pills/Devices added to prescription drugs
- 2001 Active/Retiree/Eligible dependent coverage for Hearing Aids
- 2002 Immunization coverage of Hepatitis A
- 2002 Covered annual well childcare visits
- 2003 Lifted limits on Hospital stays
- 2003 Enhanced Participant privacy protections
- 2004 Flu shots covered for children ages six months to 13 years
- 2004 Lifetime maximum coverage per individual up 100 percent
- 2005 Lens replacement coverage following cataract surgery
- 2005 Prescription drugs derived from vitamins covered

A prime reason your health plans have remained so strong is because they are jointly managed, under a multi-employer arrangement. Administered by a Board of Trustees made up of representatives from various employers and unions, multi-employer health plans are better funded than single-employer plans. They have stricter funding standards and are inherently stronger: if the company goes out of business in a single-employer plan, the health plan is no longer funded. In a multi-employer arrangement, as long as the industry survives, the health plan does as well. Jointly managed health plans offer more protection because IATSE shares the responsibility with management, to determine what benefits to provide, and who is eligible to participate. In a single-employer plan the bottom line always wins out: no one is truly fighting for the participants.

As a result of producer-contribution increases, negotiated by IATSE, and strong, proactive health benefits management, your current MPI Health Plan is among the best in the entire nation, in any industry,

bar none. This bears repeating: **your current MPI Health Plan stacks up favorably to the very best health plans in the country.** Some of the highlights of your MPI Health Plan include:

- > No monthly health plan premium
- > No co-pay for use of Motion Picture & Television Fund (MPTF) facilities and their contracted providers: paid 100 percent
- > 70/30 Out-of-Network: Plan pays 70 percent of the allowable amount for use of a non-MPTF or Blue Cross/Blue Shield contracted provider
- > Emergency room services are paid at 100 percent after the initial \$50 co-pay for each visit; co-payment is waived if admitted to hospital
- > Active Participants/Eligible Dependents co-pay of \$10 for 30-day supply of generic drugs
- > Active Participants/Eligible Dependents co-pay of \$20 for 90-day supply of mail order generic drugs
- > Retirees/Eligible Dependents co-pay of \$5 for 30-day supply of generic drugs
- > Retirees/Eligible Dependents co-pay of \$10 for 90-day supply of mail order generic drugs
- > Retiree Drug Program is substantially better than the new Medicare Part D program

Of course, any health plan that protects working families so well must be preserved at all costs. Annual funds to administer health insurance plans in America are projected to top \$800 million by the year 2013; the inevitable result of these skyrocketing costs will be the elimination of some plan benefits, and/or an increase in participant charges. No one likes to see benefits reduced or co-payments increased. But some Plan changes will be necessary to ensure long-term survival. What are some of the things IATSE plan participants and their eligible dependents can do to help safeguard the future of their MPI Health Plan?

- > Take the time to read through your health plan coverage and learn exactly what benefits you are entitled to
- > Do everything you can to take advantage of negotiated rates by using “in-network” providers
- > Using “out-of-network” providers puts plan members at the mercy of a doctor or hospital who can charge whatever they want; out-of-pocket costs will be higher for using non-MPTF facilities and providers
- > Examine the real costs of drugs and services and ensure you are getting real value for Plan’s dollars
- > Whenever possible, choose generic drugs over brand name prescription medications to avoid higher co-pays

Spending and investing Plan monies wisely will ensure that IATSE families will be immune to fiscal health care pandemics for five, ten, even twenty years down the line. The crisis is not to be taken lightly: more difficult eligibility requirements have resulted in the Screen Actors Guild Health Plan dropping 33 percent of its eligible participants! With the diligence of the West Coast Studio Locals membership, and the proactive management by IATSE and its Plan partners, a health insurance crisis like the one General Motors, Lucent, United Airlines, or even the Screen Actors Guild faced, will never impact our MPI Plan. Think back to where you were on August 30, 2005, and then remember: that day will repeat itself in 2006 and beyond. Don’t we all want to be able to look in the mirror and say how fortunate we are not to be one of the 45.8 million Americans without health insurance coverage? You bet we do!

ORGANIZING UPDATE

Enemies
 Game Show Marathon
 George Washington: Man of Decision
 Home of the Brave
 Killer Pad
 Linclon Heights
 Lovespring
 One America
 Parental Guidance Suggested
 Pink Collar
 Rest Stop
 Soapnet Daytime Emmys Unzipped
 Soapnet Daytime Emmy Red Carpet
 Special
 Teeth
 Underground
 Untitled Mt. Vernon Project
 Untitled Pilot, The
 World Series of Blackjack

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 Moving Picture Technicians, Artists and Allied Crafts,
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