



Writers' Guild-Industry Health Fund

Jim Hedges, Chief Executive Officer

May 16, 2013

Attached is an informational packet on how to add your Same-Sex Spouse as a dependent under your Health Fund Policy. Please be advised that our Board of Trustees has decided to allow Same-Sex Spouses to be added to the Health Fund using the procedures currently in place for Same-Sex Domestic Partners, with some modification to the list of documents that would otherwise be required to be submitted to the Health Fund to establish eligibility for coverage. Same-Sex Spouses will also be treated like Same-Sex Domestic Partners for purposes of other plan requirements, including the payment of taxes on the value of coverage (unless your Same-Sex Spouse qualifies as your tax dependent).

Please note the following important information:

If you were legally married in a state or country legalizing Same-Sex marriage, and you have a certified marriage certificate, you:

- 1) Do not have to submit to the Health Fund your Affidavit of Domestic Partnership.
- 2) Do not have to provide proof that you registered your Domestic Partnership with the State of California (or any other jurisdiction which allows you to register your partnership).
- 3) Do not have to provide 3 pieces of documentation to prove your relationship has been existence for at least 6-months.

However, you must:

- 1) Submit a copy of your marriage certificate to the Health Fund.
- 2) Pay the required quarterly Domestic Partner taxes (unless you submit the enclosed Tax Affidavit), and
- 3) Pay the applicable quarterly dependent premium (if you are not doing so already).

If your Same-Sex Spouse does not qualify as a dependent within the meaning of Section 152 of the Internal Revenue Code of 1986, as amended (the Code), the Fund will be required to collect from you and pay state and federal tax withholdings based on the value of the coverage being provided to your Same-Sex Spouse. The Code defines a dependent as an individual who, for the taxable year of the taxpayer, receives over half of his or her support from the taxpayer, has as his or her principal residence is the home of the taxpayer and he or she is a member of the taxpayer's household. If your Same-Sex Spouse does qualify as a dependent within the meaning of "the Code", such fact must be evidenced by submission of a completed and notarized Affidavit of "Dependency" for Tax Purposes. (The Affidavit is enclosed).

If your Same-Sex Spouse does not qualify as a dependent for tax purposes, you must pay all such taxes, in advance, on a quarterly basis. The value of Indemnity Plan coverage for three months has been determined to be \$1,998.75 and the tax payment to the Fund for the Same-Sex Spouse of the participant will be 49.50 % of this amount, or an advance quarterly payment of \$989.38.

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California law provides that if a Domestic Partnership is registered with the state, the domestic partner shall be treated the same as a spouse for certain state tax purposes when applying to health care benefits. Accordingly, when calculating your income subject to California State tax, the value of your Same-Sex Spouse's health care would not be included. In order to ensure compliance with the new tax provision, the Health Fund will consider the certified copy of your marriage certificate to be the equivalent to the Declaration of Domestic Partnership you would have filed with the Secretary of State had you not gotten married. *Because you are a California resident, the quarterly tax rate stated above already has already been reduced accordingly.*

Your application to cover your Same-Sex Spouse is evidenced by the submission of a certified copy of your marriage certificate, satisfactory completion of the Affidavit of "Dependency" for Tax Purposes (if applicable), and quarterly pre-payment of the required taxes (if applicable). All should be received by the Writers' Guild-Industry Health Fund Office as soon as possible to assure Health Plan coverage for your Same-Sex Spouse.

IMPORTANT: If you do not enroll your Same-Sex Spouse at the beginning of the calendar quarter when he or she is first eligible for enrollment, coverage of pre-existing conditions will be subject to certain limitations. A pre-existing condition is an injury or sickness for which a Same-Sex Spouse has received treatment, incurred expenses, or received diagnosis during the 90 days preceding the date of enrollment. Late enrollment means that your Same-Sex Spouse will not be eligible for coverage for a pre-existing health condition until the calendar quarter beginning after the earlier of:

- (1) 90 days after your Same-Sex Spouse was last treated for the pre-existing condition; or
- (2) One year from the date your Same-Sex Spouse first could have received coverage.

We urge you to consider enrolling your Same-Sex Spouse immediately upon becoming eligible to do so.

Please Note: You must notify the Administrative Office of a divorce or legal separation within 60 days after the date of the event. COBRA continuation coverage *is not* available to Same-Sex Spouses or Same-Sex Domestic Partners.

In order to address many of the questions that might arise as you consider applying for this coverage, please refer to the enclosed **Same-Sex Spouse/Domestic Partner Benefits: Questions and Answers** brochure, (which is attached).

If after reviewing this packet you have questions about adding your Same-Sex Spouse, please contact the Eligibility Department at (818) 846-1015, select #3 when the menu prompts.

Sincerely,
Eligibility Department

Notice of Intent to Add my Same-Sex Spouse as a dependent on my Health Fund and/or as a Qualified Domestic Partner for Pension Benefits Only

I, _____, have enclosed a certified copy of my marriage certificate and

request that my spouse, _____, be added to my plan as:

Check one only:

- A dependent on my Health Plan **ONLY**, **and** I have enclosed two checks; one to pay for the quarterly dependent premium and one to pay for the quarterly taxes (if I do not enclose an affidavit of tax dependency).
- A Qualified Domestic Partner (QDP) for Pension Benefits **ONLY**
- A dependent on my Health Plan **and** Qualified Domestic Partner for Pension Benefits, **and** I have enclosed two checks; one to pay for the dependent premium and one to pay for the quarterly taxes (if I do not enclose an affidavit of tax dependency) accordingly.

I understand that my Same-Sex Spouse will be treated like a Same-Sex Domestic Partner for purposes of other plan requirements, including payment of taxes on the value of the coverage if required.

If I am adding my Same-Sex Spouse as a dependent to the Health Fund, an enrollment form has been completed and attached, and:

Check only if applicable:

- If my Same-Sex Spouse qualifies as a dependent for tax purposes, I have enclosed the notarized "Affidavit of Dependency for Tax Purposes."

Signature of Writer

Health Fund ID #

Date

For spouses added as Pension beneficiaries ONLY, please contact the Pension Plan directly for a Designation of Beneficiary form.

Please call the Administrative office if you have any questions about adding your spouse to the Plans at (818) 846-1015 or (800) 227-7863.

Sincerely,
Eligibility Department

WRITERS' GUILD-INDUSTRY HEALTH FUND

**AFFIDAVIT OF "DEPENDENCY"
FOR TAX PURPOSES**

STATE OF _____]

ss.

COUNTY OF _____]

EXPLANATION: Under Section 152(d) of the Internal Revenue Code, the term "dependent" means, in relevant part, an individual who, for the taxable year of the taxpayer, receives over half of his or her support from the taxpayer, has as his or her principal place of abode the home of the taxpayer and is a member of the taxpayer's household.

We, _____ (the "**Participant**") and

_____ (the "**Same-Sex Spouse/Domestic Partner**"), being
duly sworn, say:

1. For the current taxable year of the Participant, over half the Same-Sex Spouse/Domestic Partner's support is received from the Participant.
2. For the current taxable year of the Participant, the Same-Sex Spouse/Domestic Partner has as his or her principle place of abode the home of the Participant.
3. For the current taxable year of the Participant, the Same-Sex Spouse/Domestic Partner is a member of the Participant's household.

EXPLANATION: Under Section 152(b)(3) of the Internal Revenue Code, a "dependent" must be either (1) a citizen or national of the United States or (2) a "resident" of the United States or of a country contiguous to the United States. Under Section 7701(b) (3) of the Internal Revenue Code, an alien is treated as a "resident" of the United States if and only if such individual is (1) lawfully admitted for permanent residence in the United States or (2) meets a "substantial presence" test. The following individuals are not "residents" of the United States for tax purposes and, thus, can never be "dependents" for tax purposes:

- A) a foreign government-related individual temporarily present in the United States on a diplomatic or consular Visa, a full time employee of an international organization, or a family member of either such person.
- B) a teacher or trainee temporarily present in the United States on a type "J" or "Q" Visa.
- C) a student temporarily present in the United States on a type "F", "M", "J" or "Q" Visa.
- D) a professional athlete temporarily in the United States to compete in a charitable sports event.

4. The Same-Sex Spouse/Domestic Partner is a citizen of :

(Country)

LA3-673791.V2

02/03/95

If the answer above was "United States," skip to Part 5. If not, answer the following questions:

The Same-Sex Spouse/Domestic Partner is currently a "resident" of:

(Country)

The Same-Sex Spouse/Domestic Partner is currently lawfully present in the United States under the following type of Visa:

(Type of Visa)

If the type of visa is "permanent resident," skip to Part 5. If not, answer the following questions:

The actual number of days the Same-Sex Spouse/Domestic Partner has been lawfully present in the United States during the current year and the 2 preceding years are:

_____(Number of days in USA, current year)

_____(Number of days in USA, 1st preceding year)

_____(Number of days in USA, 2nd preceding year)

EXPLANATION: As provided above, in order for a Same-Sex Spouse/Domestic Partner to be the tax dependent of the Participant, the Same-Sex Spouse/Domestic Partner must be a member of the Participant's household. Under Section 152(f) (3) of the Internal Revenue Code, the Same-Sex Spouse/Domestic Partner will not be considered a member of the Participant's household if, at any time during the taxable year of the Participant, the relationship between the Participant and Same-Sex Spouse/Domestic Partner is in violation of local law.

5. Our state of permanent residence for purposes of the test required by Section 152(f) (3) of the Internal Revenue Code is:

(State)

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6. We are aware that if the Same-Sex Spouse/Domestic Partner is not a "dependent" of the Participant, it is the Writers' Guild-Industry Health Fund's interpretation of current tax law that we are incurring various tax liabilities in connection with obtaining health care coverage for the Same-Sex Spouse/Domestic Partner. We therefore agree to notify the Writers' Guild-Industry Health Fund within 10 days if there is any change in the Same-Sex Spouse/Domestic Partner's status as a "dependent" of the Participant. In addition, we shall indemnify and hold the Writers' Guild-Industry Health Fund harmless for any taxes, tax related penalties or interest imposed upon the Writers' Guild-Industry Health Fund as a result of providing Same-Sex Spouse/Domestic Partner coverage to us, this includes any taxes, tax related penalties or interest imposed as a result of our taking the position as Same-Sex Spouse/Domestic Partners.
7. We agree that each of us are jointly and individually responsible for reimbursement of benefits and expenses, including attorney fees and cost incurred by the Writers' Guild-Industry Health Fund as the result of any false or misleading statement contained in this affidavit.

Each of us affirms under penalty of perjury of the laws of the State of California that the statements in this affidavit are true to the best of his or her knowledge.

_____ Signature of Participant	_____ Signature of Same-Sex Spouse/Domestic Partner		
_____ Print Name	_____ /_____ Date	_____ Print Name	_____ /_____ Date

Common Address: _____

SUBSCRIBED AND SWORN to before
me on _____.

Notary Public

WRITERS' GUILD-INDUSTRY HEALTH FUND

SAME-SEX SPOUSE OR SAME-SEX DOMESTIC PARTNER

ENROLLMENT FORM

Name of Participant: _____

Date of Birth: ____/____/____ Social Security: ____ - ____ - ____

Name of Same-Sex Spouse/Domestic Partner: _____

Date of Birth: ____/____/____ Social Security: ____ - ____ - ____

Please complete the enclosed Coordination of Benefits form to ensure your claims are processed correctly.

Common Address: _____

Common Telephone: (____) _____ - _____

Participant Cell Phone: (____) _____ - _____ / Email: _____

Spouse/Domestic Partner Cell Phone: (____) _____ - _____ / Email: _____

Signature of Participant

Signature of Same-Sex Spouse/Domestic Partner

***BENEFITS FOR SAME-SEX DOMESTIC PARTNERS
AND SAME-SEX SPOUSES:
QUESTIONS AND ANSWERS***

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1. WHAT IS DOMESTIC PARTNER COVERAGE?

Domestic Partner coverage allows participants to enroll their Same-Sex Domestic Partner or Same-Sex Spouse for health coverage with the Writers' Guild-Industry Health Fund (Fund). The rules regarding coverage of Same-Sex Domestic Partners and Same-Sex Spouses are similar to the rules applying to dependents of participants, although there are several important distinctions (which are briefly addressed below). Same-Sex Spouses will also be treated like Same-Sex Domestic Partners for purposes of other plan requirements, including the payment of taxes on the value of coverage (unless your Same-Sex Spouse qualifies as your tax dependent). If after reading this Q&A section you have additional questions, contact the Eligibility Department at the Fund.

2. DO MY PARTNER AND I QUALIFY AS DOMESTIC PARTNERS?

A Same-Sex Domestic Partnership for purposes of coverage by the Fund is a committed Same-Sex relationship similar to a marriage that has been in existence at least six months. A Domestic Partnership includes financial interdependence and intent by both partners that the relationship be permanent. If you live in a jurisdiction that allows the registration of Domestic Partners, you must be registered as Domestic Partners in that jurisdiction.

If your partner is not your dependent, you are required to pay income taxes on the dollar value of the benefits provided to your domestic partner according to the IRS Code. You do this by paying the Fund the amount of any state and federal tax required to be withheld (as indicated on the invoice that you receive from the Administrative Office), in advance, on a quarterly basis. The tax amount will be based on the value of the coverage the Fund provides to your partner, less the amount of your quarterly dependent premium payment.

Same-Sex Marriages: If you have a certified copy of your marriage certificate, you may add your Same-Sex Spouse to the Health Fund using the procedures currently in place for Same-Sex Domestic Partners (slightly modified). You will be required to complete the Domestic Partner Enrollment Form, provide a copy of your certified marriage certificate and pay all applicable taxes and dependent premiums.

3. HOW DO WE SIGN UP?

In order to qualify for benefits effective the first day of a quarter, the Fund must receive all your required documentation, including the Affidavit of Domestic Partnership (if applicable) no later than 10 days before the start of that quarter.

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If you claim your Same-Sex Domestic Partner or Same-Sex Spouse as a dependent, you will need to provide Domestic Partner Registration or Marriage certificate. If you do not claim your Same-Sex Domestic Partner or Same-Sex Spouse as a dependent, you must include a check to pre-pay the first quarter of taxes. Due to differences in tax rates depending on where you reside, please contact the Fund to determine the appropriate amount to pre-pay for this coverage and make your check payable to the Writers' Guild-Industry Health Fund. If you are not already covering other dependents on the plan, please enclose a separate check for \$150.00 to pre-pay the required quarterly dependent premium as well.

4. *SHOULD WE SIGN UP IMMEDIATELY AFTER BECOMING ELIGIBLE?*

If you choose not to enroll for coverage immediately after becoming eligible, you may enroll a Same-Sex Domestic Partner or a Same-Sex Spouse later, but a waiting period will then be imposed for any pre-existing health condition of your Same-Sex Domestic Partner or Same-Sex Spouse. A "pre-existing condition" is an injury or sickness for which a Same-Sex Domestic Partner or Same-Sex Spouse has received treatment, incurred expenses, or received diagnosis during the 90 days preceding the date of enrollment.

Enrolling later than the time you are first eligible means that your Same-Sex Domestic Partner or Same-Sex Spouse will not be eligible for coverage for a pre-existing health condition, although he or she will be eligible for coverage for new health conditions until the calendar quarter beginning after the earlier of these events:

- 1) 90 days after your Same-Sex Domestic Partner or Same-Sex Spouse was last treated for the pre-existing conditions; or
- 2) One year from the date your Same-Sex Domestic Partner or Same-Sex Spouse first could have received coverage.

For this reason, you should consider enrolling immediately upon becoming eligible.

5. *WHAT HEALTH COVERAGE IS AVAILABLE FOR MY DOMESTIC PARTNER?*

For the most part, coverage is the same as coverage provided for a dependent of any participant. There are a few differences. First, coverage will not be available for your Same-Sex Domestic Partner's or Same-Sex Spouse's children unless you have legally adopted them (you will be required to provide proof). Second, continuation (COBRA) coverage is not available for your Same-Sex Domestic Partner or Same-Sex Spouse. If you lose health coverage due to a lack of employment you may continue to pay premiums for both yourself and your Same-Sex Domestic Partner or Same-Sex Spouse for a period of time under the Fund's COBRA rules. Also, the provision for an extension of benefits in case of a disability applies only to the participant's disability, not the Same-Sex Domestic Partner or Same-Sex Spouse.

As with coverage for spouses and other participants, if your Same-Sex Domestic Partner or Same-Sex Spouse is covered by another health plan, coordination of benefits will apply.

6. IS HEALTH COVERAGE EXTENDED FOR MY DOMESTIC PARTNER IN THE EVENT OF MY DEATH?

If you die during a period of earned eligibility, coverage will be extended for your Same-Sex Domestic Partner or Same-Sex Spouse for any remaining period of earned eligibility, provided appropriate tax payments continue to be made, as required. As noted above, your Same-Sex Domestic Partner or Same-Sex Spouse does not have an independent right to COBRA continuation coverage as a result of your death.

7. WHAT IF MY DOMESTIC PARTNER BECOMES ELIGIBLE UNDER THE WRITERS' GUILD-INDUSTRY HEALTH FUND BASED UPON HIS OR HER OWN COVERED WRITING?

If a Same-Sex Domestic Partner or Same-Sex Spouse becomes eligible based upon his or her own covered writing employment and wants to add you to their policy as a Same-Sex Domestic Partner or Same-Sex Spouse, dual coverage will be offered. However, in order for secondary coverage to be effective for each individual, each of you will have to pay the required taxes on behalf of each other.

8. WHAT HAPPENS UPON TERMINATION OF THE DOMESTIC PARTNERSHIP?

As stated in the Affidavit of Domestic Partnership, you must notify the Fund in writing within 10 days of the termination of the Domestic Partnership. Your Same-Sex Domestic Partner will not be eligible for continuation (COBRA) coverage after the termination of the partnership. Failure to notify the Fund will result in both you and your Same-Sex Domestic Partner being held liable for reimbursing the Fund for any services provided after the termination of the Domestic Partnership.

If you and your Same-Sex Spouse obtain a legal divorce, you must notify the Fund in writing of your divorce and submit a copy of the divorce decree to the Fund within 30 days of the date of divorce. Your Same-Sex Spouse will not be eligible for continuation (COBRA) coverage after the termination of the marriage. Failure to notify the Fund will result in both you and your Same-Sex Spouse being held liable for reimbursing the Fund for any services provided after the termination of the Domestic Partnership.

9. IF MY PREVIOUS DOMESTIC PARTNERSHIP OR SAME-SEX MARRIAGE TERMINATES, MAY I REGISTER WITH A NEW DOMESTIC PARTNER OR SAME SEX SPOUSE?

Yes, but you must provide all the required documentation to add the second Same-Sex Domestic Partner or Same-Sex Spouse. This also means that if you are adding a Same-Sex Domestic Partner and you do not reside in a state or jurisdiction where you can register your partnership, you will have to wait at least six months from the termination of the last Same-Sex Domestic Partnership before adding your new Same-Sex Domestic Partner.

10. WHAT IF I AM A CERTIFIED RETIREE AND I PRE-DECEASE MY DOMESTIC PARTNER? WILL THEY CONTINUE TO BE COVERED?

Health Fund coverage may be extended to your Same-Sex Domestic Partner or your Same-Sex Spouse if you are a Certified Retiree when you die.

When a writer retire dies and is qualified as a Certified Retiree under the Health Fund, his or her previously covered Same-Sex Domestic Partner or Same-Sex Spouse will continue to be covered if they had been covered under the Health fund for at least two (2) years. Coverage will be extended to your surviving Same-Sex Domestic Partner or your surviving Same-Sex Spouse as follows:

Survivors who have been covered by the Health Fund for less than two years will have their coverage extended, without cost (item #6 above states taxes must continue to be paid – is that for writers who are NOT CR) for a maximum of six (6) months, or until re-marriage or entrance into another Same-Sex Domestic Partner relationship (if sooner).

Survivors who have been covered by the Health Fund for two or more years will have their coverage extended, without cost, until re-marriage or entrance into another Same-Sex Domestic Partner relationship.

If the writer was not yet age 60 but had 68 qualified quarters when he or she died and their or Same-Sex Spouse had been covered by the Health Fund for two or more years, the survivor must elect to be covered for either;

- a) 5-years from the date of death, or;
- b) Wait until the writer would have turned 60 and receive full Certified Retiree Benefits.

In either case, coverage will terminate if the survivor re-marries or enters into another Same-Sex Domestic Partner relationship.

For purposes of determining the duration of Health Fund coverage, the Administrative Office will calculate the two year period described above beginning from the date the application for Same-Sex domestic coverage was filed with the Administrative Office, or the date the request was received to add the Same-Sex Spouse, provided all criteria for such coverage was met.

11. WHAT ARE THE PENALTIES FOR INCORRECT OR INCOMPLETE INFORMATION OR FAILURE TO PROVIDE INFORMATION?

If you mislead the Fund into believing that you are Same-Sex Domestic Partners when you are not, or have entered into a legal Same-Sex Marriage and you have not, or if you fail to timely notify the Fund of the dissolution of your Same-Sex Domestic Partnership or Same-Sex marriage, each of you will be jointly and individually responsible for reimbursement to the Fund of benefits and expenses, including attorney fees and cost incurred by the Fund as a result of your statements, actions, or failure to notify the Fund. In addition, filing a false affidavit with

the Fund may be a criminal offense.

12. HOW LONG WILL THIS PROGRAM LAST?

As with all benefits the Fund provides, this program will be reviewed periodically by the Trustees of the Fund. The Trustees may decide at any time to continue, change, or terminate any benefit, including this one.