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SUMMARY OF MATERIAL MODIFICATIONS TO PRODUCERS' HEALTH BENEFITS PLAN

Important Information Regarding Your Plan

This Summary of Material Modifications (SMM) contains important information concerning benefits provided by the Producers' Health Benefits Plan. Please save this SMM along with the Summary Plan Description (SPD) which is posted on the Plan website at <https://phbp.org/documents>. It should be read and retained with your SPD for future reference.

Date: November 23, 2020

To: All Plan Participants

From: The Board of Trustees

INTRODUCTION

The Board of Trustees is proud of the valuable benefits provided by the Producers' Health Benefits Plan (the Plan). As Trustees to the Plan, we continually monitor the financial stability of the Plan to ensure that the Plan will continue to provide these important benefits well into the future. In order to maintain the high level of benefits provided by the Plan, revisions to our plan of benefits are necessary from time to time.

This SMM describes important changes to the Producers' Health Benefits Plan.

EFFECTIVE APRIL 1, 2020:

FREELANCE FEE WAIVERS

- Monthly Dependent Fees, Buy Up Fees and Bridge Payments are temporarily waived effective April 1, 2020 through December 31, 2020.

FREELANCE QUALIFYING AND COVERAGE PERIODS

- Qualifying Periods originally scheduled to end between March 31, 2020 through February 28, 2021 have been extended by 5 months to counterbalance Covid-19 related work losses. All effected Qualifying Periods are now 17 months long.
- Coverage Periods originally scheduled to end between June 1, 2020 through May 1, 2021 have been extended by 5 months to ensure coverage during the extended Qualifying Period. All affected Coverage Periods are now 17 months long.

- The Look Back Period for the Qualifying Periods noted above will have an additional one month added to the Look Back Period, if needed to earn eligibility. More specifically, one consecutive month following the end of the 17 month Qualifying Period will be reviewed (if necessary) for a total of 18 months of ‘Look Back’ to count eligible days or dollars needed to earn eligibility.
 - If the member earns eligibility based on the 17 month Look Back Period, the additional month of ‘Look Back’ will not affect the member’s eligibility.
 - If the member does not earn eligibility based on the 17 month or 18 month Look Back Period, coverage will terminate as usual, (i.e. 60 days after the end of the 17 month Qualifying Period).
 - This potential additional ‘Look Back’ month does **not** affect the start or end dates of the member’s next Qualifying Period. If the additional ‘Look Back’ month applies, the work performed in this additional ‘Look Back’ month will be counted twice in the lifetime of the member – once as the 18th month of ‘Look Back’, and again as the 1st month of the new Qualifying Period.

STAFF LAYOFF AND FURLOUGH

- All employers will be able to pay for the Medical/RX, Dental, and Vision coverage of laid off or furloughed employees through December 31, 2020.
- All employers will be able to pay for Life/AD&D, Short Term Disability and Long Term Disability for laid off or furloughed employees through June 30, 2020.

COBRA

- All Staff and Freelance on COBRA as of April 1, 2020 will receive a 20% discount on the Medical/RX only COBRA costs for coverage months April 2020 through December 2020.
- For all freelancers who have COBRA continuation coverage because of their termination of employment on November 1, 2020 or December 1, 2020, the Plan will subsidize 100% of the Medical/RX only portion of their COBRA coverage for the remainder of 2020 (i.e. 2 months for those terminated November 1, 2020 or 1 month for those terminated December 1, 2020).

EFFECTIVE MARCH 1, 2021:

PART-TIME PARTICIPANT COST SHARE

- Freelance Participants who attained eligibility by earning \$35,000 or more in their last Qualifying Period, but who worked less than 80 days for Participating Employers in that same Qualifying Period, will be deemed “Part-time Participants” and will contribute \$250.00 per month for the duration of the related Coverage Period. This Cost Share does

not apply to any freelancer who worked more than 80 days, regardless of how you earned your eligibility (days worked or income earned). Those making Bridge payments will not be subject to the Part-Time Participant Cost Share.

Questions?

For more information, please contact PHBP staff@PHBPBenefits.org or by telephone at 855-696-2909.

Plan Sponsor: Producers' Health Benefits Plan

Sponsor's EIN: 31-6654730

Plan Number: 501

Plan Year: January 1st to December 31st

You should keep this Notice together with your Summary Plan Description at all times. The two documents should be read together for an accurate depiction of your current health plan benefits. If you have any questions, contact the Fund Office.

The Board of Trustees or its duly authorized designee, reserves the right, in its sole and absolute discretion, to amend, modify or terminate the Plan, or any benefits provided under the Plan, in whole or in part, at any time and for any reason, in accordance with the applicable amendment procedures established under the Plan and the Agreement and Declaration of Trust establishing the Plan (the "Trust Agreement").

No individual other than the Board of Trustees (or its duly authorized designee) has any authority to interpret the plan documents, make any promises to you about benefits under the Plan, or to change any provision of the Plan. Only the Board of Trustees (or its duly authorized designee) has the exclusive right and power, in its sole and absolute discretion, to interpret the terms of the Plan and decide all matters arising under the Plan.