NEW TEMPORARY EQUITY-LEAGUE HEALTH FUND EARLY COVERAGE OPTION

Opportunity to Pay for Health Weeks for Non-work Periods Before Rehearsal

In light of the pandemic, and limited opportunities for actors to obtain health coverage through employment, the Trustees of the Equity-League Health Fund are happy to announce that they have adopted the following policy to allow payment of Health Fund contributions for non-work periods prior to the resumption of work. This will enable health coverage to begin sooner than it otherwise would have under the Fund's coverage standard eligibility rules.

Early commencement of coverage eligibility is subject to the following conditions:

1. Employers may contribute to the Health Fund for 12 consecutive weeks for non-work periods.
2. In order to accelerate the start date of coverage for employees, the 12 weeks of contributions may be made for prior weeks. In that case, the weeks will be credited backwards from the last Sunday prior to the date the Fund receives the contributions. For example, contributions for 12 weeks received on July 2 would be credited to the 12 weeks ending April 11 through June 27. Instead of paying the 12 weeks in a lump sum, Employers may also pay the 12 weeks on a weekly basis (or a combination of lump sum and weekly) for periods prior to the start of work. For example, an Employer could contribute 6 weeks on July 2 and then contribute weekly thereafter for 6 more weeks (through August 13). In that case, the contributions would be credited for the 12 weeks ending May 23 to August 8.
3. All the regular Fund eligibility rules, including the two-month wait period before coverage starts, apply. So if an Employer contributed 12 weeks ending with the week of June 27, the employees would be offered coverage (at Tier 3 In-Network Only) on September 1*. Alternatively, if the Employer contributed for the weeks ending May 23 to August 8, the employees would first be offered coverage (at Tier 3 In-Network Only) starting November 1. (Both examples assume the employees had no other work weeks and were not already covered).

    i. **In this example, if an Employer has a weekly contribution rate of $150 and chooses to pay for 12 weeks in a lump sum by July 2, the contribution would be $1, 800 and would cover the period from April 11 through June 27, triggering coverage eligibility on September 1, for Tier 3 In-Network Only coverage. Simultaneously, assuming work (e.g., rehearsals) began on October 1, the Employer would begin paying weekly contributions of $150 then, which would earn ordinary eligibility through employment for Tier 3 In-Network Only coverage on March 1, exactly as the coverage earned via the lump sum contribution was ending. Therefore, any gap between the beginning of pre-employment contributions and normal contributions that is greater than exists in this example will result in a gap in coverage. Consequently, Employers should take care in selecting the timing of pre-employment contributions in relation to when employment starts (and therefore, regular contributions resume).*

ii. *In the above example, based on the timing of the lump sum pre-employment contributions and the start of work-based contributions, employees who work continuously from the start of work for at least 12 weeks will qualify only for Tier 3 In-Network Only (unless they buy up to Tier 2) when their first 6 months of coverage (based on the lump sum contributions) ends. However, if an Employer wishes its employees to be offered a level of coverage above Tier 3 In-Network Only immediately after the 6 months of coverage based on the pre-employment lump sum coverage expires, the Employer may be able to adjust the timing of the lump sum contributions to make the gap between the pre-employment contributions and normal contributions a month shorter. In that case, while the initial coverage (based on the lump sum contributions) will be for Tier 3 In-Network Only, there will be enough weeks of work accumulated (for those who continue to work) to qualify for Tier 1 coverage in the second period of coverage. But note that if the pre-employment contributions are paid later, coverage will also start a month later, a month after the start of work in this example.*

iii. *Since the timing rules for coverage are complicated. Employers who are interested in contributing under this policy should contact the Fund Office as soon as possible.*

4. For shows resuming following the pandemic-related shutdown, contributions must be made for all furloughed cast members returning to the show at the start of rehearsals. Employers may agree to make contributions on behalf of new members in the cast, provided they are made for all new members. For new shows, contributions must be made for all cast members.
5. Contributions for non-work periods under this policy must be received by the end of the first week of rehearsal *and* no later than **December 31, 2021**. ***The option pay for non-work periods prior to rehearsal will no longer be in effect after December 31, 2021.***
6. Contributions are due at the weekly rate under the applicable collective bargaining agreement.
7. Contributions for non-work periods under this policy are in addition to (and do not reduce) contributions due for all weeks of work, starting with the first week of work.
8. Contributions must be due pursuant to a written agreement between the employer and Actors' Equity Association and comply with the requirements of this policy, and such written agreement must be made prior to the start of the first rehearsal.

For questions about this policy, please contact the Fund Office by telephone**:** (212) 869-9380 or toll free outside of NYC (800) 344-5220.