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IMPORTANT BENEFITS ANNOUNCEMENT TO ARTISTS PARTICIPATING IN PLAN B

Dear Artist:

The Trustees of the AGMA Health Fund are pleased to announce a trial program that will allow eligible participants to apply their Personal Medical Reimbursement (Plan B) individual account balance toward the purchase of Standard Health (Plan A) Insurance coverage. In addition to the uninsured medical expense reimbursement program, Plan B accounts have always been available to help participants pay premiums for the purchase of health insurance coverage from other sources. However, in some cases, that can be a challenge for an individual.

The AGMA Standard Health Plan provides comprehensive hospital/medical benefits and optional dental benefits through a group insurance contract issued by Aetna, Inc. The Standard Plan also includes prescription drug coverage through an arrangement with EnvisionRxOptions. The Standard Plan hospital/medical coverage is in a Point of Service design, permitting enrollees to use any physician or provider. However, enrollees using Aetna's extensive physician and provider network can obtain more generous benefits.

In order for a Personal Medical Reimbursement account balance to be used for this purpose, a participant must in a relatively recent period of time have a reasonable amount of employment that requires employer contributions to their Personal Medical Reimbursement account. Specifically, in order to be eligible to use a Personal Medical Reimbursement account balance to purchase Standard Health Insurance coverage, starting September 1, 2008, an Artist must meet **ONE** of the following requirements.

- (1) Have a minimum of \$1,200 in employer contributions to his/her Personal Medical Reimbursement Account based on Covered Employment between June 1, 2006 and June 30, 2008,

OR

- (2) Have at least 32 weeks of Personal Medical Reimbursement Covered Employment in the period from June 1, 2006 through June 30, 2008.

For newer Personal Medical Reimbursement participants, or for participants who do not meet the eligibility requirements as of June 30, 2008, a similar, rolling two-year covered employment test will determine eligibility to start Plan A Health Insurance on each succeeding September 1.

If you are interested in purchasing Plan A Health Coverage, you must notify the Fund Office no later than July 31, 2008.

You will be able to use contributions in your Personal Medical Reimbursement accounts to pay the premiums. Any premium costs above your Personal Medical Reimbursement account balance will then be billed to you directly.

The cost of the Standard Health Plan are preliminary and should be used only for informational purposes. **The final costs will be determined in Summer 2008, but are currently:**

For most participants, those residing in Aetna's QPOS areas, the preliminary monthly costs are \$397.13 for individual coverage or \$1,033.02 for family coverage. If you enroll in the Standard Health plan and elect the optional dental coverage, the preliminary monthly costs are \$419.54 for individual coverage or \$1,097.23 for family coverage.

For participants residing in California and occasionally other states, where Aetna's Managed Choice premium/benefits platform is applicable, the preliminary monthly costs for the Standard Health plan are \$529.39 for individual coverage or \$1,342.20 for family coverage. If the optional dental coverage is included, the preliminary costs are \$551.80 for individual or \$1,406.42 for family coverage.

You can also purchase the Dental Plan only by meeting **ONE** of the following requirements:

- (1) Have a minimum of \$300 in employer contributions to his/her Personal Medical Reimbursement Account based on Covered Employment between June 1, 2006 and June 30, 2008,

OR

- (2) Have at least 8 weeks of Personal Medical Reimbursement Covered Employment in the period from June 1, 2006 through June 30, 2008.

Costs will be finalized this summer, but currently, dental only coverage costs \$25.10 per month for individual coverage or \$71.93 per month for family coverage.

The Trustees may discontinue this program at any time. However, should that happen, the Trustees will provide all participants with advance notice of their decision to terminate the program.

If you would like additional information on this program and the coverage provided by AGMA Health Fund Plan A, please contact the Fund Office at 212-765-3664 or via Email at agmaretirement_health@yahoo.com.

Sincerely,

The Trustees of the
AGMA Health Fund