

FAQs for CWA benefit representatives

Why are you making this change?

We routinely evaluate our benefits and the vast majority of our Medicare-eligible retirees have access to a supplemental insurance plan, with no monthly premium, from the private exchange made available to them.

Does this affect hourly employees? Management?

If affects both management and bargained-for employees who retire after Dec. 31, 2020.

Does this change benefits I receive under my Collectively Bargained Agreement?

No, benefits described in your Collectively Bargained Agreements are not changing.

I'm not yet 65; why am I receiving this?

You're receiving this because it changes your potential future eligibility to receive an HRA subsidy.

What is this benefit worth to me?

If you retire on or after 1/1/2021, are not Medicare eligible (generally under age 65), but are eligible for subsidized medical coverage as a retiree, your eligibility for a subsidized rate on the group health coverage will not be impacted by this change. These rates are not known until October of the year prior to their effective date.

Under the current health plan, once you become Medicare eligible, which is generally age 65, you are no longer eligible for the group health coverage and must enroll in Medicare and purchase insurance coverage that supplements Medicare through the Aon Retiree Health Exchange to be eligible for a subsidy. This change will not affect your eligibility to register for different Medicare options through the Aon Retiree Health Exchange, but you will no longer receive the Health Reimbursement Account (HRA) subsidy.

What happens if I am not eligible to retire prior to 1/1/21?

If you do not meet the Modified Rule of 75 (or a special eligibility rule if one applies to you) prior to 1/1/21 and decide to leave the Company, you will not be eligible for any subsidized retiree medical benefits. This includes both pre-65 group health coverage and post-65 Medicare HRA.

If you do not meet the Modified Rule of 75 (or special eligibility rule if one applies to you) prior to 1/1/21 and decide to NOT retire until you reach your Modified Rule of 75 date or applicable requirement for post-employment eligibility, you will be eligible for any subsidized medical coverage then offered through the group health plan prior to becoming Medicare eligible (assuming you are eligible for subsidy). Once you become Medicare eligible, you will no longer receive a subsidized benefit through the HRA.

What do I need to do in order to not be affected by this change/How do I know if I qualify for an HRA in retirement?

Under current health plans, in order to receive the HRA crediting, you must first validate you are retiree medical subsidy eligible. This can be done by reviewing your Summary Plan Description, SPD and if you have questions, calling the AT&T Benefits Center at 877-722-0020. If you are subsidy eligible, you must next confirm that you have reached your Modified Rule of 75 date (or a special eligibility rule if one applies to you) or will before 1/1/21. This can be done by calling the AT&T Benefits Center or talking to Fidelity. Then, you will need to terminate employment prior to 1/1/2021. Currently, you need to enroll in Medicare and then enroll for coverage through the Aon Retiree Health Exchange. If you do not enroll through the Aon Retiree Health Exchange you will not receive your HRA.

Does this impact my pension?

Eligibility for post-employment medical subsidy does not have any impact on your pension. The elimination of the HRA for those who terminate after 1/1/21 is not impacted by any other post-employment benefits.

For future retirees: I am retired and am not receiving an HRA? Why is that? And is there an impact to me?

You are currently receiving health benefits under the same terms generally as when you were an active employee. Under current health plans, the HRA applies only to retirees who are receiving health coverage through AT&T's arrangement with the AON Retiree Health Exchange. Because you terminated prior to 1/1/21, your eligibility for a crediting to your HRA in the future will not be impacted by this change.

For a current retiree: I am already receiving an HRA. Is there an impact to me?

No, because you terminated prior to 1/1/21, your eligibility for a crediting to your HRA will not be impacted by this change.

For a current retiree: I have already retired, but am not yet Medicare eligible (still on the group health plan). Is there an impact to me?

No, because you terminated prior to 1/1/21, your eligibility for a crediting to your HRA will not be impacted by this change.

Can you walk me through some examples?

MW CWA (Exp. 4/9/2022), Current Employee retires 3/1/2020 and is already Medicare-eligible

- Upon retirement, Current Employee becomes an Eligible Retired Employee (ERE) and receives health benefits generally as an active employee until 12/31/2022 when the benefit provisions of the Collectively Bargained Agreement expire.
- Effective 1/1/2023, ERE will be a Current Retiree and based on current provisions will be eligible to purchase coverage through the Aon Retiree Health Exchange and receive the HRA subsidy from AT&T.

MW CWA (Exp. 4/9/2022), Current Employee retires 3/1/2021 and is already Medicare-eligible

- Upon retirement, Current Employee becomes an Eligible Retired Employee (ERE) and receives health benefits generally as an active employee until 12/31/2022 when the benefit provisions of the Collectively Bargained Agreement expire.
- Effective 1/1/2023, ERE will be a Current Retiree and based on current provisions will be eligible to purchase coverage through the Aon Retiree Health Exchange, but will not receive the HRA subsidy from AT&T because ERE retired after 12/31/2020.

MW CWA (Exp. 4/9/2022), Current Employee retires 3/1/2021 and is not Medicare-eligible until 1/1/2025

- Upon retirement, Current Employee becomes an Eligible Retired Employee (ERE) and receives health benefits generally as an active employee until 12/31/2022 when the benefit provisions of the Collectively Bargained Agreement expire.
- Effective 1/1/2023, ERE is now a Current Retiree and, based on current provisions, will be eligible for the group health coverage with subsidy, if offered.
- Effective 1/1/2025, Current Retiree is now Medicare-eligible and will be eligible to purchase coverage through the Aon Retiree Health Exchange, but will not receive the HRA subsidy from AT&T because ERE retired after 12/31/2020.

Specific details about benefits, including eligibility rules, are in the Summary Plan Descriptions (SPDs), or Summaries of Material Modifications (SMMs). The plan texts, including the SPDs and SMMs, are the final authority with regard to your benefits and in the event of a conflict (including any conflict with oral statements) the plan documents always govern and they are the final authority on the terms of your benefits.

AT&T reserves the right to terminate, modify, or amend any and all benefit plans at any time and for any reason, including before or after your retirement or termination of employment, except as provided for in an active collectively bargained contract. Nothing in this document should be construed as conferring a lifetime right to benefits or any particular level of benefits.