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*Proudly representing retirees of the AT&T Midwest Region, SBC Midwest Region, Ameritech, and predecessor/successor Bell Companies of the New AT&T, located throughout the United States*

## The 2008 Health Plan Enrollment Is Underway

AASBCR officers participated in a conference call which AT&T hosted for AASBCR and other members of the AT&T Retiree Coalition earlier this month. You should soon receive an enrollment package similar to last year's package but the whole process is much bigger this year.

AT&T's Jan Harvey presented the 2008 process to the group explaining that there are now 630,000 active and retired employees. Together, with their dependents, the 2008 enrollment will involve 1.2 million people. All of this activity is being handled by the AT&T Benefit Center which is operated by Hewitt. In the past, Hewitt used 100 service reps to handle enrollment but this year, they have added 500 service reps which should result in a substantial service improvement, according to Ms. Harvey.

There are 5 waves of enrollment each separated by a couple of weeks. Most retirees fall into the wave that enrolls between November 5 and November 16. There are 26 variations of enrollment materials so it is very important that you check the bottom of the first page of your package to make sure you have received the correct forms.

The AT&T Medical Plan (UHC) will keep the same deductibles and co pays for 2008 but, AT&T is not yet sure about Caremark. Those co-pays could change in 2008. The AT&T Medical Plan offers Caremark, but if you are in an HMO, you need to check because it may offer a different plan for medications. Some of the HMOs are increasing their prices. Certain HMOs had 10 – 25% increases. Some have changed what is covered. We need to check pricing versus what is included. Some HMOs changed a lot. At the end of enrollment, those HMOs with fewer than 100 participants enrolled will be dropped.

There were several Medicare related issues discussed. The following is a summary:

- There are about 25,000 retirees who combine one or more Medicare participants with one or more non-Medicare participants. Hewitt's new computer system handles these situations by requiring two separate enrollments – one for the Medicare participants and one for the non-Medicare participants.
- When a retiree changes status from non-Medicare to Medicare, that is considered a "change status event" and at that time they can change their coverage. When a spouse of a retiree changes status from non-Medicare to Medicare, that is not a "change status event." So, if you anticipate this happening, check the coverage at enrollment time since the spouse will keep the same coverage for the entire year. Look at how it changes when a spouse becomes Medicare eligible.
- AT&T will accept the subsidy for Medicare D.
- In response to a question about "any increases that stand out" this year", an AT&T staffer said "deductibles remain the same, there are no changes in monthly

contributions, and there will be improvement and modernization in Medicare Prescription Drug processes.”

- Marty Webb reported that Medicare Savings Accounts (MSAs) are available only to individuals who are enrolled in a Medicare high deductible health plan. Centers for Medicare and Medicaid Services trialed MSAs for the past year or so as a Medicare Advantage Option and they are now available on a limited basis through private insurance companies. He said AT&T will continue to research potential benefits of MSAs and coordination opportunities with AT&T health plans.
- Webb also talked briefly about Health Savings Accounts (HSAs) that are for those who are non-Medicare eligible with high deductible health plans. The AT&T Medical Plan qualifies us. During enrollment, you can request information. It will be sent by the bank that AT&T has assigned, but you can enroll in any bank that accepts Health Savings Accounts. Dependents are not eligible for HSAs or MSAs.

There will be a follow-up conference call in late January, 2008, to review the performance of the 2008 enrollment process. AASBCR will be part of that conference so be sure to keep your officers informed of your experiences.