



AT&T Inc. and Participating Companies

Human Resources-Benefits
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Forwarding Services Requested
NIN: 78-68872

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Changes in 2024 for AT&T Medicare-eligible retirees

To: All retirees eligible for the health reimbursement arrangement (HRA)

To sustain industry-leading healthcare while ensuring the long-term health of our company, we watch changes in the healthcare landscape closely. Our goal is to balance the best healthcare options available while achieving a cost structure that's sustainable over time and allows for leading benefits in future years. While other employers are simply reducing or eliminating retiree health benefits, we strive to deliver a high-quality and affordable healthcare experience and provide as much advance information as possible to support your long-term healthcare planning.

In 2013, we announced the Retiree Health Exchange which provided access to a variety of AT&T-subsidized plans and a health reimbursement arrangement (HRA) to cover your healthcare costs. Since that time, Medicare Advantage plans have become the most popular option in the healthcare market because of their expansive benefits at affordable premiums. In addition, concentrating the purchasing power across all our retirees can deliver more comprehensive and affordable coverage than continuing the fragmented exchange and HRA options.

Therefore, beginning in 2024, we'll offer you one company-subsidized plan: the AT&T Group Medicare Advantage (PPO) Plan insured by UnitedHealthcare (UHC). This plan will be available for at least 5 years¹ at which point we'll re-evaluate the options available based on the healthcare and regulatory environment, much like we're doing now, ensuring we continue to provide market-level retiree benefits.

This coming change **does not impact your current healthcare coverage** or the options you choose for your 2023 coverage. No action is required of you until 2024 open enrollment, which will occur October to December 2023, but it's important to know:

- The AT&T Group Medicare Advantage Plan from UHC is **popular for the number of choices available** for doctors, specialists, in-home or virtual care, prescriptions, and other healthcare support—all at a very competitive premium. AT&T has also negotiated custom enhanced features with UHC compared to other plans on the open market, including free gym memberships, post-discharge meals and transportation, private duty nursing, acupuncture, chiropractic services, special programs for chronic conditions like diabetes or heart disease, and more². The current plan achieves a 95% satisfaction rate³ from our retirees currently enrolled and a 5-star rating from Medicare.

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- The plan allows access to a majority of doctors who accept Medicare, no matter where in the United States you seek care. In fact, you may **end up with broader access to doctors and more coverage on your prescriptions** than you have today.
- Under this plan, **AT&T will cover your monthly payments** – also known as premiums – meaning you won't pay a dime in upfront costs. The premium charge for spouses in 2024 will be \$50/month, but in 2025-2028, spouse premiums will be reduced to \$0/month.
- Because we'll now offer a plan with more fully featured benefits and with no monthly costs by focusing all our purchasing power with one company for all retirees, **our HRA contribution will end beginning in 2024**. You can continue to use any HRA funds saved in your account.

While the 2024 changes to HRA contributions and plan structure are consistent with what we communicated in 2018 and 2020, you have the choice of what is the best path for you and your family. While we expect the vast majority of retirees to participate in the subsidized AT&T Group Medicare Advantage Plan, you may choose to stay in your current plan or find another plan through the individual market. If you decide to stay on your current plan, you will still have access to support provided through the Retiree Health Exchange.

In 2023, you'll hear directly from UHC with more details about the 2024 AT&T Group Medicare Advantage Plan. If you have questions now, please call UHC at 1-866-819-3448 (TTY 711) from 8 a.m. – 8 p.m. local time, 7 days a week, or visit go.att.com/MedicareRetiree.

We believe the AT&T Group Medicare Advantage Plan strikes the balance between providing you with the best healthcare options available and better positioning the company to sustain that support into the future.

Thank you for your many contributions to AT&T.

Julianne Galloway
Vice President, Benefits
AT&T

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This document was written for easy readability. In all cases, the official Plan documents govern and are the final authority on Plan terms. If there are any discrepancies between the information in this letter and the Plan documents, the Plan documents will control. AT&T reserves the right to terminate, modify, or amend any and all of its benefit plans at any time and for any reason, including with respect to retirees and their dependents. Nothing in this document should be construed as conferring a lifetime right to benefits or any particular level of benefits.

1. These plans are designed based on the current state of Medicare. Major changes to Medicare may force earlier re-evaluation.
2. Refer to the AT&T Group Medicare Advantage (PPO) Plan Evidence of Coverage for a complete list of covered services, limitations and exclusions.
3. 95% satisfaction rate from AT&T participants who participated in the United Experience Survey regarding the AT&T Group Medicare Advantage (PPO) Plan. CMS 5-star rating is out of five (5) possible stars and applies to Plan year 2022. Every year Medicare evaluates plans based on a 5-star rating system.

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