

TO: RETIREE ASSOCIATION MEMBERS  
FROM: MIMI HULL, PRESIDENT AUSWR

REGARDING: Changes to Medical Coverage for **MANAGEMENT POST-1990 RETIREES WHO ARE MEDICARE-ELIGIBLE AND/OR SPOUSES WHO ARE MEDICARE-ELIGIBLE** (We are sending this email even to those NOT impacted for general informational purposes, only.)

CenturyLink has informed our Retiree organization that they are making changes to the way medical coverage will be provided starting Jan 1, 2012 for **certain retirees**.

CenturyLink is making this change following an Equal Employment Opportunity Commission decision in 2004, which was later upheld by the U.S. Supreme Court which permitted this type of change.

This change will be applicable **only** for retirees (and/or spouses) who are the following: Management, Post-1990, **and** Medicare-eligible. Those who retired Pre-1991 or are ERO retirees are NOT impacted by this change due to the Phelps Lawsuit that our retiree organization filed, and won, against the Company. Occupational retirees are NOT impacted. Approximately 4500 Qwest Management retirees and/or spouses across our region will be impacted.

For those who are Medicare-eligible and are Post-1990 management retirees, the **current group retiree medical coverage** will no longer be available as of January 1, 2012. Those impacted will have to select a new plan from coverage choices available in their area and will have access to a Benefits Advisor for assistance in making new benefit coverage decisions.

**Depending on the coverage selected, costs could increase, decrease or remain the same. The amount the Company contributed in the past toward coverage will be the same for 2012. That amount is \$145 per month for each Medicare-eligible adult (including a spouse or other Medicare eligible dependant). If the selected coverage costs more than the Company's contribution amount, the difference will have to be paid by the retiree, just as is done now. In addition, the payment process will change. The Company's contribution will be available through a Health Reimbursement Account to pay the premium for the coverage selected.**

**Those who are impacted will soon receive material from CenturyLink in separate mailings which will include:**

- A brochure explaining the changes.
- An invitation to a general informational meeting in certain cities that will cover the material in the brochure.
- A date and time to meet over the phone with a trained Benefit Advisor who will help the retiree and/or spouse through the selection process, and will have all cost and coverage information available for every option. (You are encouraged to

notify the Benefits Advisor of your selection by December 1, 2011. However, the decision on new coverage **MUST** be made and communicated by December 30, 2011 if you are to have coverage in 2012)

**If you are impacted and cannot attend the general informational meeting please read the material you receive in the mail very carefully. If necessary, ask someone else to read it with you to confirm your understanding. In addition, write down your questions so that you may ask the Benefits Advisor during your private phone consultation.**

If you know retirees without email who WILL BE impacted, please communicate with them about the importance of the package from CenturyLink that they will be receiving in the mail.

In addition, if you know retirees without email who are NOT impacted, please communicate with them to try to alleviate unnecessary concern and try to stop the "rumor-mill" which may confuse and worry them.