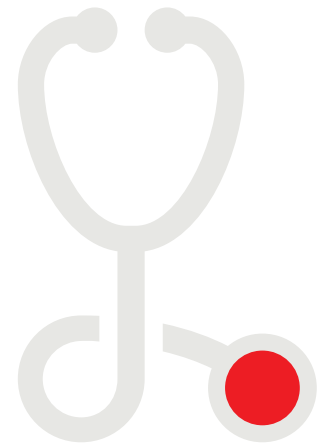




A SUPPLEMENTAL GUIDE

RETIREE MEDICAL CONTRIBUTIONS

New York/New England



BenefitsConnection

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RETIREE MEDICAL CONTRIBUTIONS

The following describes important information about contributions toward coverage for those with a Net Credited Service Date before August 3, 2008 who retire with eligibility for retiree medical benefits after January 1, 1992. Please remember that retiree medical benefits are subject to change in the future.

In the 2016 plan year and later plan years, as provided for in the 2012 labor contracts, your annual contribution (to be paid on a monthly basis) toward the cost of retiree medical coverage will equal the greater of (a) the annual minimum contribution amount(s) described in the Annual Minimum Retiree Contributions section below; or (b) the excess, if any, of the cost of coverage for the coverage category and medical option you elect for that plan year over the retiree medical cap described in the Retiree Medical Caps section below.

A. ANNUAL MINIMUM RETIREE CONTRIBUTIONS

1. Those Who Enroll in the EPO or Any HMO

In the 2016 plan year, for any pre-Medicare retiree that elects the EPO or any HMO option, the annual minimum retiree contributions will be:

Pre-Medicare Annual Minimum Retiree Contributions			
Coverage Category	EPO	UHC Passport/ Harvard Pilgrim	Other NY/NE HMOs
Retiree Only	\$990	\$990	\$825 - \$924
Retiree + 1	\$1,500	\$1,500	\$1,250 - \$1,400
Retiree + Family	\$1,980	\$1,980	\$1,650 - \$1,848

In the 2016 plan year, for any Medicare retiree that elects an HMO option, the annual minimum retiree contributions will be:

Medicare Annual Minimum Retiree Contributions	
Coverage Category	HMOs (No greater than)
Retiree Only	\$495
Retiree + 1	\$750
Retiree + Family	\$990

2. Those Who Retired On or After January 1, 2013 and Enroll in the MEP HCP or HCN

In the 2016 plan year, for any pre-Medicare retiree who retired on or after January 1, 2013 and elects the MEP HCP or HCN, the annual minimum retiree contributions will be:

Pre-Medicare Annual Minimum Retiree Contributions	
Coverage Category	MEP HCP and HCN
Retiree Only	\$471.96
Retiree + 1	\$809.04
Retiree + Family	\$809.04

In the 2016 plan year, for any Medicare retiree who retired on or after January 1, 2013 and elects the MEP HCP or HCN, the annual minimum retiree contributions will be:

Medicare Annual Minimum Retiree Contributions	
Coverage Category	MEP HCP and HCN
Retiree Only	\$235.92
Retiree + 1	\$404.52
Retiree + Family	\$404.52

As provided for in the 2012 labor contracts, the annual minimum retiree contributions for both pre-Medicare and Medicare coverage for the MEP HCP and HCN plan options for 2016 reflect a 6% increase over the contributions from 2015, and will increase by 6% annually thereafter.

B. RETIREE MEDICAL CAPS

1. Retiree Medical Cap Amounts

The 2012 labor contracts specify limits on the amount the Company will contribute toward retiree medical coverage. The limits are referred to as retiree medical caps. For 2016 and later plan years, the Company's annual contribution toward the cost of coverage for the coverage category and medical option elected is capped at the greater of:

- the Company's annual contribution limits set forth in the 2008 labor contracts (see Table 1); or
- the COBRA contribution rate established in December 2014 for the 2015 plan year for pre-Medicare and Medicare-eligible retirees, as applicable, for the MEP HCP and HCN, or for the EPO or any HMO, an amount no greater than the COBRA contribution rate established for the HCN (see Tables 2A and 2B).

Table 1

2008 Labor Contracts Retiree Medical Caps		
Coverage Category	Annual Pre-Medicare Company Contribution Cap	Annual Medicare Company Contribution Cap
Retiree Only	\$12,580	\$6,330
Retiree + 1	\$25,160	\$12,660
Retiree + Family	\$31,450	\$18,990

Table 2A

COBRA contribution rates established in December 2014 for the 2015 plan year		
Coverage Category	MEP HCP (pre-Medicare)	MEP HCP (Medicare)
Retiree Only	\$15,447	\$4,423
Retiree + 1	\$30,893	\$8,846
Retiree + Family	\$38,639	\$13,269

Table 2B

COBRA contribution rates established in December 2014 for the 2015 plan year		
Coverage Category	HCN (pre-Medicare)	HCN (Medicare)
Retiree Only	\$11,739	\$3,898
Retiree + 1	\$23,479	\$7,796
Retiree + Family	\$29,371	\$11,694

For all plan options for pre-Medicare retirees except the MEP HCP, the retiree medical caps set forth in the 2008 labor contracts (Table 1) exceed the 2015 COBRA contribution rates (Tables 2A and 2B). Accordingly, for all plan options for pre-Medicare retirees other than the MEP HCP, the Company's annual contribution toward the cost of coverage is capped at the retiree medical caps set forth in the 2008 labor contracts (see Table 3B).

For the MEP HCP for pre-Medicare retirees, the 2015 COBRA contribution rates (Table 2A) exceed the retiree medical caps set forth in the 2008 labor contracts (Table 1). Accordingly, for the MEP HCP for pre-Medicare retirees, the Company's annual contribution toward the cost of coverage is capped at the 2015 COBRA contribution rates (see Table 3A).

For all plan options for Medicare retirees, the retiree medical caps set forth in the 2008 labor contracts (Table 1) exceed the 2015 COBRA contribution rates (Tables 2A and 2B). Accordingly, for all plan options for Medicare retirees, the Company's annual contribution toward the cost of coverage is capped at the retiree medical caps set forth in the 2008 labor contracts (see Tables 3A and 3B).

Table 3A

Annual Caps Applicable to the MEP HCP (Greater of Table 1 and Table 2A)		
Coverage Category	MEP HCP (pre-Medicare)	MEP HCP (Medicare)
Retiree Only	\$15,447	\$6,330
Retiree + 1	\$30,893	\$12,660
Retiree + Family	\$38,639	\$18,990

Table 3B

Annual Caps Applicable to the HCN and Other Plan Options (Greater of Table 1 and Table 2B)		
Coverage Category	HCN (pre-Medicare)	HCN (Medicare)
Retiree Only	\$12,580	\$6,330
Retiree + 1	\$25,160	\$12,660
Retiree + Family	\$31,450	\$18,990

B. RETIREE MEDICAL CAPS (CONTINUED)

2. Plan Options in Excess of the Retiree Medical Caps in 2016

In the 2016 plan year, the cost of coverage of the following NY/NE plan options for pre-Medicare retirees will exceed the applicable retiree medical caps:

- National EPO
- UHC Passport/ Harvard Pilgrim
- MEP HCP

In addition, the cost of coverage of certain out-of-area HMOs will also exceed the applicable retiree medical caps.

For the National EPO and UHC Passport/ Harvard Pilgrim, the excess of the cost of coverage for pre-Medicare retirees for the 2016 plan year over the applicable retiree caps is greater than every pre-Medicare retiree's minimum annual contribution. As a result, if you elect one of these coverage options as a pre-Medicare retiree, your contribution will be the excess of the cost of coverage over the retiree medical cap. The annual contribution amounts for 2016 (to be paid on a monthly basis) for the National EPO and the UHC Passport/Harvard Pilgrim plan options are set forth in Tables 4 and 5 below in the column titled "2016 Annual Contribution."

Table 4

Pre-Medicare National EPO					
Coverage Category	2016 Cost of Coverage	Annual Company Contribution Cap (Table 1)	Excess Over Cap	2016 Annual Minimum Retiree Contribution	2016 Annual Contribution (Greater of Excess or Minimum Retiree Contribution)
Retiree Only	\$ 13,745	\$ 12,580	\$1,165	\$990	\$1,165
Retiree + 1	\$ 27,491	\$ 25,160	\$2,331	\$1,500	\$2,331
Retiree + Family	\$ 34,377	\$ 31,450	\$2,927	\$1,980	\$2,927

Table 5

Pre-Medicare UHC Passport/Harvard Pilgrim					
Coverage Category	2016 Cost of Coverage	Annual Company Contribution Cap (Table 1)	Excess Over Cap	2016 Annual Minimum Retiree Contribution	2016 Annual Contribution (Greater of Excess or Minimum Retiree Contribution)
Retiree Only	\$ 14,294	\$ 12,580	\$1,714	\$990	\$1,714
Retiree + 1	\$ 28,589	\$ 25,160	\$3,429	\$1,500	\$3,429
Retiree + Family	\$ 35,749	\$ 31,450	\$4,299	\$1,980	\$4,299

For the MEP HCP, the excess of the cost of coverage for pre-Medicare retirees for the 2016 plan year over the applicable retiree caps is greater than the minimum annual contribution for those who retired before January 1, 2013 but less than the minimum annual contribution for those who retired on or after January 1, 2013. If you retired before January 1, 2013 and elect the MEP HCP as a pre-Medicare retiree, your annual contribution will be the excess of the cost of coverage over the retiree medical cap for the MEP HCP. If you retired on or after January 1, 2013 and elect the MEP HCP as a pre-Medicare retiree, your annual contribution will be the minimum retiree contribution for the MEP HCP. The annual contribution amounts for 2016 (to be paid on a monthly basis) for the MEP HCP are set forth in Table 6 below in the columns titled “2016 Annual Contribution.”

Table 6

Pre-Medicare MEP HCP							
				If You Retired Before 1/1/13		If Your Retired On or After 1/1/13	
Coverage Category	2016 Cost of Coverage	Annual Company Contribution Cap (Table 2A)	Excess Over Cap	2016 Annual Minimum Retiree Contribution	2016 Annual Contribution (Greater of Excess or Minimum Retiree Contribution)	2016 Annual Minimum Retiree Contribution	2016 Annual Contribution (Greater of Excess or Minimum Retiree Contribution)
Retiree Only	\$ 15,765	\$ 15,447	\$318	\$0	\$318	\$471.96	\$471.96
Retiree + 1	\$ 31,530	\$ 30,893	\$637	\$0	\$637	\$809.04	\$809.04
Retiree + Family	\$ 39,426	\$ 38,639	\$787	\$0	\$787	\$809.04	\$809.04

3. Plan Options That Do Not Exceed the Retiree Medical Caps in 2016

In the 2016 plan year, the cost of coverage of the HCN plan option for pre-Medicare retirees will not exceed the applicable retiree caps. In addition, the cost of coverage of the NY/NE Pre-Medicare HMOs other than the UHC Passport/Harvard Pilgrim plan option will either not exceed the retiree caps, or will exceed the retiree caps by an amount not greater than the minimum retiree contribution applicable to that plan option.

In the 2016 plan year, the cost of coverage of each of the plan options for Medicare retirees is less than the applicable retiree medical cap.

C. MONTHLY RETIREE MEDICAL CONTRIBUTIONS

Consistent with the labor contracts and the previously described provisions, the 2016 retiree medical contributions that are payable each month for post-1/1/1992 retirees are as follows:

2016 Pre-Medicare MEP HCP and HCN Monthly Retiree Contributions				
Coverage Category	MEP HCP		HCN	
	Retired before 1/1/13	Retired on or after 1/1/13	Retired before 1/1/13	Retired on or after 1/1/13
Retiree Only	\$26.50	\$39.33	\$0	\$39.33
Retiree + 1	\$53.08	\$67.42	\$0	\$67.42
Retiree + Family	\$65.58	\$67.42	\$0	\$67.42

2016 Pre-Medicare EPO and HMO Monthly Retiree Contributions			
Coverage Category (Retired before, on, or after 1/1/13)	EPO	UHC Passport/ Harvard Pilgrim	Other NY/NE HMOs (Varies by plan option)
Retiree Only	\$97.08	\$142.83	\$68.75 - \$77.00
Retiree + 1	\$194.25	\$285.75	\$104.17 - \$116.67
Retiree + Family	\$243.92	\$358.25	\$137.50 - \$154.00

2016 Medicare-Eligible Monthly Retiree Contributions			
Coverage Category	MEP HCP and HCN		HMOs
	Retired before 1/1/13	Retired on or after 1/1/13	Retired before, on, or after 1/1/13
Retiree Only	\$0	\$19.66	\$19.66
Retiree + 1	\$0	\$33.71	\$33.71
Retiree + Family	\$0	\$33.71	\$33.71

Actual plan provisions for Company benefits are contained in the appropriate plan documents or applicable Company policies. This Retiree Medical Contributions guide provides updates to your existing Summary Plan Description (SPD) as of January 1, 2016. Please keep this guide and any additional Summary of Material Modification (SMM) with your SPDs until Verizon provides you with SPDs that have been updated to reflect the changes to your benefits. As always, the official plan documents determine what benefits are provided to Verizon employees, retirees, and their dependents. Your SPDs are available at www.verizon.com/benefitsconnection, or you can call the Verizon Benefits Center and request a printed copy. As explained in your SPD, Verizon reserves the right to amend or terminate any of its plans or policies at any time with or without notice or cause, subject to applicable law.

