BELLTEL RETIREE

Association of BellTel Retirees Inc.

The Official Newsletter for Union and Management Retirees and Employees of Bell Atlantic, GTE, Idearc/SuperMedia/DexMedia, NYNEX, MCI, Verizon and its Subsidiaries. Paid for by contributions from Verizon and Idearc/SuperMedia/DexMedia retirees.

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Special Spotlight: Making Dollars and Cents of Your Health Costs

Some of the most common feedback we get from members when we ask what their biggest concerns are in retirement is, being able to afford all of the necessary medical expenses. We wanted to spotlight some of these issues in our Special Health Section of our Spring 2019 newsletter.

Here's a not-so-hot take we can all probably agree on: healthcare in America, especially for retirees, is SO! DARN! EXPENSIVE! About twice as expensive, in fact, as it is in any other developed country.

There are two areas in which this is particularly evident: We pay substantially higher prices for medical services—hospitalization, doctors' visits and prescription drugs—and our complex payment system causes us to spend far more on administrative costs.

If the $3 trillion U.S. healthcare sector were ranked as a country, it would be the world's fifth largest economy, according to Consumer Reports! The cost of this huge financial burden for every household is, on average, more than $8,000.

Two great examples of these out of control costs? Glasses and hearing aids.

A recent Los Angeles Times story showed a more than 1,000% markup for most vision products. The average cost of a pair of frames is $231 and the average cost of a pair of single-vision lenses is $112. Progressive, no-line lenses can run twice that amount. Of course, the true cost of a pair of acetate frames — three pieces of plastic and some bits of metal — is as low as $10, according to some estimates. Lenses require precision work, but they are almost entirely made of plastic and almost all production is automated.

Continued on Page 6 in the Special Section

What Was – Vs. - What Is Verizon Today?

From our early days, founded as an association to speak out on behalf of the protection of pensions and benefits and the rights of NYNEX retirees back in the late 1990's, what has always been clear, is that today's Association of BellTel Retirees and our advocacy efforts, has always been ahead of its time.

Since those early days speaking and advocating for the company's retired workforce – those who originally hailed from the New York, New Jersey to New England corridor - our retiree association and the population we serve has evolved. You can be proud that your Association now maintains a truly national footprint and has achieved some epic successes. More on that later.

As the company constantly evolved, acquired and grew, the demographic of its workforce and retiree alumni also diversified.

What was NY Telephone, NYXEX, Bell Atlantic, C&P, Diamond State, GTE, MCI, and many others became one, strengthened by each other and the highly talented workforce and intellectual property that each unique company possessed. All are now under the Verizon umbrella.

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Let's Recruit 10,000 New Verizon Retirees!

As you may remember from the winter newsletter, in September of 2018 Verizon offered 44,000 employees an early retirement buy-out as part of the company's overall cost-cutting strategy.

We now know that one quarter, or 10,000 employees—about 7 percent of its global workforce—have accepted Verizon's offer. Some of these employees have already left the company, while others are staying on until June.

JOIN US: We would now like to speak directly to those who took the buy-out and newly find themselves among the ranks of Verizon retirees. Firstly, WELCOME! We know this is an adjustment period in what is likely a drastic change in your life. Going from clocking in to work every single day to waking up whenever you want and not living by a set schedule can be extremely intimidating. We get it!

Please know that our member community is warm and nurturing and that we are a valuable resource for you. From helping to understand and manage finances and benefits, to accessing key information to joining the fight to ensure Verizon treats its retirees fairly, the Association has a lot to offer.

Please do not hesitate to call our office toll-free at 1-800-261-9222, email us at association@belltelretirees.org, or connect with us on social media. Attending a mini-meeting or our Annual Member Meeting in June would also be a wonderful introduction! We are excited to speak to you about your unique needs as a recent retiree and look forward to getting to know you better.

If you are reading this and know someone who took the buy-out, please be sure to spread the word to them about the Association! They have much to learn about navigating retirement post-Verizon, and we are eager to help in this critical moment.

Taking the Chair Out From Under Retirees

Chairman's Report

By Jack Cohen

I've been saying this repeatedly for the last thirty some odd years: From a corporate perspective, it becomes more and more obvious that seniors have had the audacity…indeed the unmitigated gall, to actually have lived long enough to be eligible to receive retiree health care and pension benefits!

This was never part of the original plan. The original plan was that "*old people*" are supposed to die before getting anything remotely resembling that which they had earned or that which was promised to them.

It has become apparent that seniors have inflicted upon this nation the unexpected reality of living too long. Perhaps our Congress will someday take the extreme measure of euthanasia as a remedy since from their actions, it would appear that seniors are responsible for all evils besetting the economic foundation of our nation?

This assault on the "favorite chair" supporting seniors has been going on for in excess of thirty years and is coming from four directions –an attack on each of the four chair legs. These are the legs of the chair that support seniors:

- Social Security
- Medicare
- Employer Provided Healthcare
- Pensions

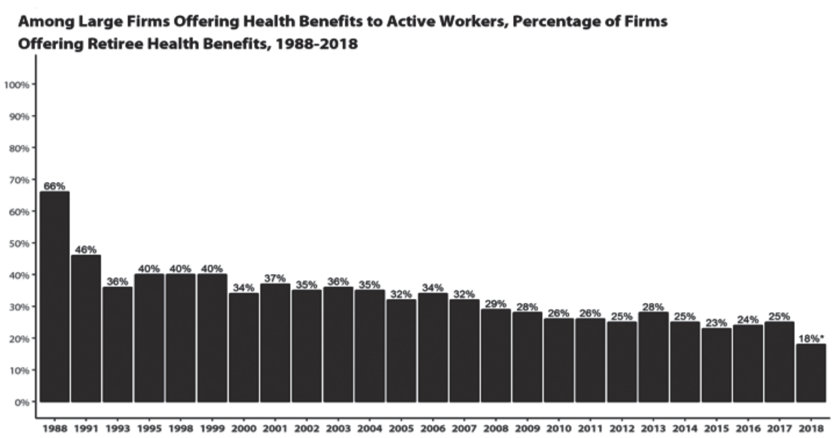
Every one of the above has been under constant attack for the last thirty years (and probably longer).

Social Security – Nancy J. Altman, is the Chairperson of the Board of Directors of the Pension Rights Center and has a forty-year background in areas of Social Security. In a recent article for Retirement Revised (July 30, 2018), she explores the myths associated with Social Security. Those attacks have been coming since the creation in the 1930's. Current attacks are becoming far too prevalent, while at the same time Social Security has become the only means of financial survival for nearly half of those over the age of 65, according to a recent Kaiser Family Foundation study.

"Social Security is unaffordable due to our aging population. Social Security is a driver of our national debt. Social Security is built on a house of cards – its assets are just IOUs. Social Security is a Ponzi scheme." Altman takes on all of these myths in her extremely important article.

Medicare – We have all seen the efforts to saw this leg off the chair. The attempts to impose "vouchers" were only a single thrust of so many other attacks. Medicare serves over 44 million people. So many politicians look upon Medicare as an entitlement with a bulls-eye for elimination.

Employer Provided Health Care – This leg is practically sawed off already.



This chart, from the Kaiser Family Foundation Annual Survey of Employer Health Benefits, isolates large firms (over 200 employees) offering Health Benefits to Active Workers and what percentage of those firms offered health benefits to retirees over the years. It shows 66% in 1988 vs. 18% in 2018.

Naturally, without this benefit, greater demands are placed on whatever discretionary income is left in order to purchase coverage. Medicare covers a lot, but out-of-pocket costs are rising at the same time this graph is dropping more and more each year.

Pensions – There was a time when 88% of private sector workers had a workplace retirement plan—a pension! In 2016, that number dropped to 33%. Today's private sector workers, whose only retirement account is a defined benefit pension plan, are down to 4%. About 14% of companies offer both DBP and Defined Contribution Plans (401K's). Why? The answer involves something called De-Risking a.k.a. risk-transfer. This is the process where a pension becomes an insurance annuity. This is a process completely circumventing ERISA protections laws and the umbrella safety valve of the Pension Benefit Guaranty Corporation.

All of these legs by now require knee replacement surgery. These are the embattled legs holding up the chair that supports and provides comfort to the aging retiree and his or her spouse.

This has been going on while so many of our fellow retirees occupy themselves with Bingo games.

It is finally time for those who are playing Bingo and watching from the sidelines to roll up their sleeves and get into the action. Don't wait for the other guy (or gal) to do the fighting for you. We need "all hands on deck," and that includes our old Bell System cousins from Lucent, and AT&T, Pacific Bell, GTE, Mountain States, Quest and so many others in the growing extended Verizon corporate family.

Our doors were never closed to you, but now they are open wide and we're expanding our horizons. We have been in the battle since 1996, battling for the earned benefits of all retirees, including you. We cannot do it alone. We need your energy and we need your financial support. We are certainly not giving up and you shouldn't either.

Are You Ready for Shareholder Proxy Season?

Martin Luther King Jr. once said, "Let us realize the arc of the moral universe is long, but it bends toward justice." Of course, he was talking about the fight for racial justice and equality, not the Association's Verizon shareholder proxy proposals.

His message, however—that even though the road is long and difficult, it is going in the overall direction of progress and the "right thing" will prevail—resonates and applies.

This year, our retiree shareholder proxy proposals will seek the same important corporate governance reforms at Verizon that we sought last year, continuing our aggressive advocacy.

One proposal, titled **"Shareholder Ratification of Executive Severance Packages,"** urges approval of any senior executive officer's new or renewed compensation package that provides for severance or termination payments having a value exceeding 2.99 times the sum of the executive's base salary plus target short-term bonus. We call this the "Golden Parachute Proposal" and **we urge you to VOTE FOR this proposal.**

The second proposal, titled "**Above-Market Returns on Nonqualified Executive Savings Plans,"** asks Verizon's Board to prohibit the practice of paying above-market earnings on the non-tax-qualified retirement saving or deferred income account balances of senior executive officers who participate in Verizon's Senior Executive Retirement Plan or "SERP." We nickname this the "SERP proposal" **and also urge that you VOTE FOR this proposal.**

So if the proxy proposals are the same, how is this year different than last year?

The first reason, which relates to Dr. King's quote, is that every year, the public consciousness becomes more aware of the massive disparity between upper management and rank-and-file employees when it comes to compensation and benefits. Executive pay is supposed to be based on how well a company is performing, and serious pay inequities raise questions as to whether the link between pay and performance has been broken. Such a disconnect can also damage morale, which can be bad not only for employees, but for the long-term value of a company's stock.

While many companies have SERPs for upper management that are vastly more generous than the retirement plans offered to regular employees. Verizon also offers top executives guaranteed, above-market earnings on their multi-million-dollar accounts. When our SERP proposal was offered to Verizon shareholders in 2018, last year, the influential proxy advisory firm by Institutional Shareholder Services ("ISS") recommended that shareholders vote "FOR" our proposal, explaining that paying above-market earnings was a practice "at variance with market acceptability."

Verizon Proxy Ballot:

- **Golden Parachute Proposal:** Vote Yes ☑
- **SERP Proposal:** Vote Yes ☑

The second reason this year may be different is one you may not expect: the federal government shutdown that lasted from December 22, 2018 through January 25, 2019. The shutdown had wide-ranging impacts, from closing national parks to curtailing FDA food inspections. The SEC, as it turns out, was also operating with a skeleton staff.

That is important because when publicly-traded companies like Verizon want to block a shareholder proxy proposal, they notify the SEC and ask for an opinion as to whether SEC rules allow the company to omit a proposal from the company's proxy materials. If SEC staff agrees with the company, the proposal is omitted; if SEC staff disagrees, then the proposal gets printed.

Each winter, the agency handles a wave of these requests from corporations. Proposals can be struck for a variety of reasons under SEC rules, including: if they did not receive sufficient support in a previous year, because they are deemed to not be economically relevant to a company's performance, or if they don't relate to a company's core business activities. Verizon has challenged both proposals at the SEC again this year, and the Association has filed legal arguments opposing Verizon's effort to deny shareholders a vote on our proposals.

Though the shutdown is now over (and as of the writing of this newsletter there has not been another one), 35 days is a significant amount of time, and there is no telling how much of a backlog the SEC is facing when reviewing the companies' requests to block certain shareholder proxy proposals.

With your help, we can leverage this energy and momentum and WIN! We've done it before, and we can do it again. **Make sure you vote FOR both of our proposals this year**.

2019 Annual Meeting Might Be the Vacation You Need! Join Us in Atlantic City June 5

In the last newsletter we announced the date of our 2019 Annual Member Meeting in Atlantic City—June 5th—and now it's time to start solidifying your plans!

Our annual meetings are a hugely important opportunity to connect with former coworkers and interface directly with Association leadership and have your questions answered about a range of important retirement topics.

The meeting is also—unless you live in Atlantic City—a nice waterfront getaway! A great chance to enjoy some beautiful June weather, take in some world class entertainment, eat delicious food, shop at the nearby Tanger Outlets, and maybe even press your luck in the casinos.

Take our word for it: remarkable things happen when you spend a little time by the water; worries are erased, stresses are calmed, and spirits are naturally renewed.

While some (non-retirees) may view retirement as one big vacation, we all know that is far from the day-to-day reality for most of us. Taking a trip or going on a getaway may take some extra planning and expense, but there are genuine benefits to unplug.

Meeting new people, seeing new places and temporarily separating yourself from the day-to-day stress of home have all shown to raise people's spirits in the short and long-term.

But did you know scientists have also made the connection between taking vacations and improved physical health?

Now, we're not saying attending the Annual Member Meeting is going to make you healthier, but we are saying that between learning about important retirement issues gathering with former work colleagues and the pleasures of traveling to a resort area —it certainly couldn't hurt!

If you're able to, we'd love to see you at the Golden Nugget Hotel and Casino in Atlantic City, New Jersey on Wednesday June 5, 2019.

Once everyone is settled at the Golden Nugget, located on a picturesque Atlantic City marina, we will host a continental breakfast at 8 a.m. and begin the business portion of the meeting at 10 a.m. with a great and engaging member Q&A to follow.

Those planning on attending should fill out the RSVP card below and mail it to our office with the $5 fee. Then, book a room by calling the Golden Nugget at 1-800-777-8477. Use our code ABELTEL for the reduced rate of $75/night, plus a $15 daily resort fee and taxes. If you have any questions, please reach out by calling the office at 1-800-261-9222 or emailing association@belltelretirees.org

Early Bird RSVP for 2019

Association of BellTel Retirees Annual Meeting

Wednesday, June 5, 2019 at Golden Nugget Casino (600 Huron Ave, Atlantic City, NJ 08401)

A Ticket Is Required To Attend

I will attend the meeting in Atlantic City, NJ - # in party______ Name:____

Address:____ Phone Number:______________________

Email Address:_______________________________Enclosed is a Check for $__________ ($5.00 per person)

Please list your guest's names and addresses:____

____

PLEASE PRINT CLEARLY

(You can list invitees names on a separate piece of paper if more than 2 are attending)

A ticket will be mailed to each member and guest for admission. Please return this registration form and fee ASAP to:
Association of BellTel Retirees Inc. c/o Stef Baker P.O. Box 33, Cold Spring Harbor, NY 11724

— SPECIAL SECTION: — Your Health and Your Money

Association Springs Into Action: UMass Memorial Health vs. UHc Medicare Advantage

By Jack Cohen

October is a great month when the early pangs of winter cold start creeping into the bones of retirees who do not reside in warm places. It is also a great month for receiving what I commonly refer to as: "annual bend-over letters." Verizon retirees have traditionally looked at these letters as informing retirees that some of their earned benefits will cost a little more or cover fewer things for the same cost.

Our members in Massachusetts, most of whom reside west of Boston and east of Springfield got such a letter this past October, but it did not come from Verizon. It came from the Chief Physician Executive of the UMass Memorial Health Care, Inc.

Well-written and as tactful as possible, essentially this letter advised retirees that they have but a single medical choice effective Jan 1, 2019. They can either stay with this very popular UMass Medical Group or go someplace else.

To stay, the member would have to drop UHc Medicare Advantage. Enclosed with this variation of the bend-over letter, was an actual chart showing that being dropped was not only the UHc Verizon plan, but also the UHc Med Adv plans from AARP, as well as the Mass UHc Group Medicare Advantage Plan.

A very detailed chart was provided showing what was acceptable. Obviously, this hit hard for our brothers and sisters in MA who have been cared for by this group for many years. Why was this happening?

This is not the first time your Association has been brought into this type of situation. There were many incidents during the first year that this Medicare Advantage Plan had been rolled out, most due to provider unfamiliarity.

UMassMemorial Health Care

Since then there was a "settling down" period of adjustment. Not everyone is happy nowadays, but fewer complaints have reached our ears, and email.

There had also been a major dispute involving the Main Line Health Care facilities around Philadelphia, PA. Two of our board members were instrumental in getting the parties to reach an accommodation there. From all indications, it appears that agreement has held more or less solid. At least we are not aware of any member grievances brought to our attention.

UnitedHealthcare® MEDICARE ADVANTAGE

One of our Mass members alerted us to this issue. We immediately sought out our liaison with high management in Verizon and the very next day someone from UHc reached out to our member and interviewed the leadership of UMASS Medical Group. This is not going to be an easy fix. UMass is determined to end any affiliation with UHc Medicare Advantage Plans.

So, I wrote directly to the CEO on behalf of our members explaining our position in that this was the only option available to our members other than dropping all major Verizon benefits. I condemned the action as targeting seniors and implied that it was evident that "seniors are not the type of patients who are welcome" at UMass.

I received a response from the VP in charge of Managed Care Contracting, who responded on behalf of the CEO.

She argued against several of my points and since then we have had more correspondence and dialogue, including one to my home phone. Without going through all the gory details, suffice it to say that there are "two sides to every story."

I am presently awaiting a detailed analysis of the struggles a provider experiences when dealing with UHc, which will probably appear in the next newsletter. So stay tuned. The "pot is still boiling," and I have offered Association services to be involved in any mediation between the parties.

The point for our members affected by this awful mess is that your Association is involved with pursuing a resolution and will keep you informed.

We are planning an Association "Mini-Meeting" to be held this May in West Roxbury. Of course, we are pursuing a happy resolution to occur before then. In any event please make sure you RSVP and attend. Please be active and invested in your Association of BellTel Retirees.

— SPECIAL SECTION: —YOU

Facing Medical Benefit Denials: Always Advocate for Yourself!

A recent government report has an important recommendation for anyone with a Medicare Advantage plan: if you are denied coverage for medically necessary care, don't take it lying down. File an appeal, and your odds are good that the plan will eventually overturn its decision.

Looking at appeals filed by Advantage enrollees and health care providers between 2014 and 2016, the U.S. Department of Health and Human Services' Office of Inspector General found that plans overturned a whopping 75% of their own denials.

Sadly, most people do not know this statistic and only about 1% of denials are ever appealed. This suggests that many beneficiaries may be going without needed services or paying out of pocket for care.

If you are one of the 21 million (and quickly growing!) Medicare Advantage beneficiaries and have received a denial, make sure to read the denial and the appeal instructions extremely closely. Then, ask your doctor to write a letter explaining why you need the care and understand the timeline to make your claim.

Please note that Advantage enrollees have only 60 days from the date of the denial notice to file an appeal, compared with 120 days for traditional Medicare beneficiaries.

And, if you don't succeed the first time, try, try again—and again! If the plan rejects your initial appeal, your claim will be automatically forwarded to an independent entity for review. If your appeal is rejected there, you still have up to three more levels of appeal.

Making Dollars a

(Continued from page 1)

Hearing aids cost, on average, about $4,700 in the United States. "That basically means then for the average American, that this could be their third largest material purchase in life after a house and a car," Dr. Frank Lin, an ear surgeon, professor, and director of the Cochlear Center for Hearing and Public Health at Johns Hopkins told CBS News.

As you may know from first- or second-hand experience, hearing loss is extremely common as people get older. In fact, two out of three people over 70 have trouble hearing. According to Dr. Lim, only about 20% of adults who have a hearing loss actually use a hearing aid. Cost is without a doubt a major obstacle that can lead to some very serious health implications: hearing loss is associated with higher risks of hospitalization,

In Their Own Words: BellTel R

BellTel retirees share their stories of successfully appealing medical insurance decisions, large and small, for themselves and their family members. Sometimes all it takes is some persistence!

"30 years ago, my 18-year-old daughter had back surgery. The BlueCross BlueShield plan NYNEX provided me at the time first denied and then refused to approve the purchase of a $39 shower seat, which we needed because she was instructed to keep off her feet and certainly not fall when in the shower upon returning home from the hospital and recuperating.

However, when I requested BlueCross BlueShield approval to purchase a $1,200 hospital bed for her homecoming I was surprisingly given the green light! "We didn't need a hospital bed!"

Needless to say, I arranged a conference call with our company HR group, a staff medical doctor and BlueCross BlueShield. I told them all the story and suggested that I would get the approved $1,200 hospital bed and resell it for the purchase price of the $39 shower seat to the same medical supply company. Within a few hours I had approval to go get the shower seat.

The lesson here is that you should NEVER take initial NO, or even 2nd denial, for the final answer!

PS. My daughter is now 48 and in fine shape. "

— Bob Rehm, Director Emeritus

* * *

"There is a fire hydrant within 100 feet of our home. My 5-year-old daughter's nose found it the hard way when she fell and broke it while playing. She suffered a deviated septum and it would take surgery to correct it.

The doctors cautioned that since she is still growing, she would ultimately have to have a second surgery when she stopped growing at age 17. They recommended a prudent course of action, to wait 12 years until then and have the surgery done once and for all. Twelve years later, when we filed with BlueCross BlueShield for pre-approval, we were denied based on the

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R HEALTH AND YOUR MONEY

nd Cents of Your Health Costs

depression, and especially dementia.

The question is: why are things so much more expensive here?

The government's regulation—or lack thereof—is a major factor. In most countries, the government negotiates drug prices with the drug makers, but when Congress created Medicare Part D, it specifically denied Medicare the right to use its power to negotiate drug prices.

The Veteran's Administration and Medicaid, which can negotiate drug prices, pay the lowest drug prices. The Congressional Budget Office has found that just by giving the low-income beneficiaries of Medicare Part D the same discount Medicaid recipients get, the federal government would save $116 billion over 10 years.

The next logical question: If the government could save itself and its citizens serious money on drug prices, why doesn't it?

Lobbying is certainly one huge factor. In 2018, lobbying expenditures topped $3.4 billion. The industry that spent the most—by far—is of course the pharmaceutical industry. Shelling out $280 million, the Big Pharma surpassed its previous 2009 lobbying record of $272 million. The trade groups and companies inside this sector also broke records: The Pharmaceutical Research and Manufacturers of America, whose members include Pfizer, Amgen, Bayer, Johnson & Johnson and AbbVie, spent $28 million in 2018.

The industry in second place when it came to lobbying spending in 2018? Insurance—who we also must contend with on the state and federal level when it comes to pension de-risking.

There are glimmers of hope, many of which can be directly tied to activism (it really works!).

Remember Dr. Lin, the hearing aid expert? His research suggested that people with mild hearing loss don't need expensive custom hearing aids that require multiple doctors' visits and fittings, and instead would be fine using something more generic that costs one-tenth as much.

His team worked with Congress to successfully pass a new bill allowing hearing aids to be sold over-the-counter, which means that, by August of 2020, companies will be able to sell hearing aids directly to consumers. "Companies like Bose, Samsung, Apple could all enter the market now," Lin told CBS News.

With the political landscape the way it is, remember that you will always have someone in your corner and that the Association of BellTel Retirees is staying vigilant on your behalf. We will never be scared off by lobbyists or the billions of dollars they spend because we know that as long as we have our members' best interests in mind, we are standing on the right side of history. Change may be incremental, but we believe we can eventually win for all of us.

etirees Appeal Denials and Win

insurance carrier's claim that they do not approve cosmetic surgery.

I asked for an appeal review of the circumstances. BlueCross BlueShield provided me with a registered nurse (RN) advocate to assist with the appeal process. The RN advocate was very helpful and told me exactly what documentation I needed to collect. She also warned that once the clock starts, we both only have 14 days or 10 business days to get everything done. To complicate matters further, there was a federal holiday the following week, which left only 9 business days to round up the 12-year-old records.

Thankfully, we met the deadline and our appeal was approved. Success!

PS. My daughter is now 28 and on December 30th, 2018 married the boy who sat at the desk next to her in the second grade.

—Thomas M. Steed, Director

* * *

"A few years back, Express Scripts sent me a generic version of one of my cardio medications that I had been taking for years. I called them and inquired about the change.

I was advised that this was their new process and that if my cardiologist wants me to continue with the name brand medicine, they would send a fax to his office and he would have to fill it out and fax it back. This would be carried out on an annual basis.

I called my doctor's office to let them know to expect the fax, as this was also news to them, and he agreed that I stay on the name brand medicine. I was subsequently put back my regular medicine, which cost a bit more than the generic.

The matter was quickly resolved with a few phone calls and a quick response from my doctor's office staff. All it took was that extra bit of effort on my part to advocate for my own health.

I've since opened an online account with Express Scripts and log in from time to time to check on the status of my refills. It's a simple login page to navigate: I can check on order status, refill dates, and make changes if need be. "

—T. McManus, Member

We Are Enhancing Our Focus on State Advocacy in 2019

For 2019 the Association is making a new addition to our strategic team. Well…actually, while he's "new" in one regard, Edward Stone is an old friend in relation to our advocacy efforts on several fronts.

Edward Stone

Since 2012, Ed has worked behind the scenes with our lead federal litigation counsel, the brilliant Curtis Kennedy, when your Association's case versus Verizon over the spin-off of 41,000 retirees' pensions into a group insurance annuity, was litigated all the way up to the United States Supreme Court.

He has an exemplary track record in addressing the legal issues and concerns around pension de-risking transfers where group insurance annuities are substituted for defined pensions and the modern scheme of corporations "de-risking" their retirees pension assets.

On behalf of retirees Mr. Stone has been instrumental in pushing for and gaining the passage of legislation in two states — Connecticut and Virginia — that recoups some of the protections lost when pensions are converted to insurance group annuities. He has testified before the ERISA Advisory Council, advocating greater protections for retirees. Mr. Stone secured the passage of a "best practices" resolution by the National Conference of Insurance Legislators (NCOIL) designed to offer guidance to state legislators on issues relating to the emerging practice of pension de-risking.

In 2019, directly supporting the Association and its members efforts, Ed will oversee pursuing similar legislation in a host of other states including New York, New Jersey, Massachusetts, Pennsylvania, among others, all of course within the acceptable lobbying parameters for our organization.

Given his portfolio of experience and knowledge of Verizon Retiree concerns, we believe Edward Stone will continue to be an asset to the Association and we are delighted to welcome him in his new role.

Be assured that the Association's Board will continue to monitor federal activities and potential legislation related to earned retiree health care benefits. Realistically, our pursuits with the current Congress and the persistent political legislative stalemate is discouraging and to get the "best bang for the buck," we need to maintain a posture of patience.

While keeping a watchful eye on Congress, we are placing our emphasis and resources during 2019 in the direction of the greatest potential, at the state level – seeking to enact state protections for retirees impacted by pension de-risking transfers.

Pension Agency

One year ago, in our spring 2018 newsletter, the front-page feature story covered the findings of Part I of the Pension Benefit Guaranty Corporation's (PBGC) pension de-risking study.

Published in its 2017 annual report, the PBGC study explored why corporations de-risked pensions and what factors could slow down the snowballing process. Now, the PBGC has released the second half.

Part I: Conditions Ripe for De-Risking

Part I of the study, conducted by Mercer consulting for the PBGC, showed what we as an Association have long known to be the writing on the wall: conditions are and will continue to be extremely ripe for corporations to de-risk.

The vast majority of corporate plan sponsors surveyed by Mercer had already taken steps to de-risk pension plans, and most CFOs were either considering the strategy or already had one in place. One of the study's biggest findings is that PBGC premiums, while set by Congressional statute, are a major factor in pushing companies to de-risk. Thus, a reduction to PBGC single employer premiums would potentially decrease the prevalence of de-risking.

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Releases Part 2 of De-Risking Study

While Part I provided a lot of quantitative data, Part II used focus groups to capture a qualitative perspective and add additional context to de-risking drivers.

Part II: PBGC Premiums Drive De-Risking Decisions

The conclusions from Part I—that de-risking is on the rise and continues to be embraced by plan sponsors—was supported by Part II, which further showed that plan termination is often the end goal for these corporate plan sponsors.

Again, the study participants were united in their view that the PBGC's rising premiums are the major factor driving risk transfer activity.

"While plan sponsors do understand the value that defined benefit plans bring to an organization, these benefits are often outweighed by financial and funding volatility and the increasing costs of PBGC premiums, leading sponsors to consider de-risking," the study found.

Essentially, corporations are increasingly viewing the kinds of retirement benefits many of us received as a "luxury" they can no longer afford to offer their current employees. Although, of course, they can afford to do so for their top executives.

As Part I and our newsletter story pointed out, well-funded plans are more likely than poorly funded plans to de-risk because poorly funded plans are restricted from utilizing certain types of risk transfer by statute.

This creates an "anti-selection problem" where healthier sponsors reduce or eliminate their obligation and risk, leaving larger shares of less healthy sponsors with more poorly funded plans in the defined benefit system, which diminishes the agency's premium base and increases the overall risk and exposure to PBGC. It is a vicious cycle, which contributes to higher premiums and causes more de-risking.

Tax Cuts Muddy the Waters

The federal Tax Cuts and Jobs Act, passed in December of 2017, did not help matters. With the corporate tax rate cut to 21% from 35%, many defined benefit plan sponsors have drastically increased contributions in 2018 to take advantage of the tax deduction (companies are allowed to deduct a portion of their pension contributions based on their tax rate).

In 2018, at least 25 companies contributed or announced plans to contribute a total of $14.4 billion to U.S. pension plans, according to Pensions & Investments' news stories.

On the surface, corporations putting more money into their pension plans seems great for their workers. We, however, know the underlying truth: now that the September tax deadline has passed, sponsors likely will set their sights on de-risking strategies moving forward. Now that more plans are better funded, most experts predict more sponsors will explore termination.

In short: pension de-risking is only going to continue to grow in popularity. 2018 was a big year for de-risking, with Fed-Ex completing the largest pension transfer since our own $8.5 billion Verizon transfer in 2012. Expect 2019 to be even bigger.

FLASHBACK: The Association of BellTel Retirees came to the PBGC's doorstep and sounded the alarm about pension de-risking.

In February 2016, before the PBGC began releasing the results of the Mercer study, Association chairman Jack Cohen and attorney Edward Stone visited their Washington DC offices and briefed PBGC Director W. Thomas Reeder and several of his top staff members about pension de-risking and the threat it poses to retirees.

We are vigilant, ahead of the curve, and always fighting for YOU!

L-R: PBGC staff members Karen Morris, Nella K. Ranade, Chris Bone, Sanford Rich, Director W. Thomas Reeder, Association of BellTel Retirees Chairman Jack Cohen, and Michael Rae.

Link Up with Us on LinkedIn

We, the Verizon workforce family, come from all over the country—really, all over the world—and comprise a vast array of different shapes, sizes, colors, experiences, and ages. The one thing we all have in common is that at one point or another we all worked for the company that eventually became Verizon. We are all, in a sense, members of a professional network together.

It is about time, then, that we establish a presence on LinkedIn, which is the premiere online, peer-to-peer social network for professionals. Think of it like a work-focused version of Facebook, used largely for networking instead of sharing pictures of your grandkids or vacations.

Or, for example, as the high-tech equivalent of going to a traditional networking event where you meet other professionals in person, talk a little bit about what you do and exchange business cards.

You may be thinking: I'm retired and not looking for a job, why would I need LinkedIn?

While individuals can make their own choice, we as an Association need to be on LinkedIn for very important reasons, and it goes back to a line you may have missed in the first paragraph: "the company that eventually became Verizon." Think of it, perhaps, as an alumni network!

As you know, many different companies—from the "Baby Bells" to GTE, MCI, etc.—formed to make up Verizon Communications. The company Verizon is today looks nothing like the company (or companies in some cases) we remember working for.

Ever heard of Niddel Corp? How about Fleetmatics Group? WideOpenWest not ringing a bell? These are all companies acquired by Verizon that represent the company's growing and evolving workforce and the diversity of businesses under the Verizon umbrella. We have a mandate as an Association to unite and serve this population. LinkedIn is one way that is going to help us do that.

All of this to say: if you're already on LinkedIn or are interested in joining, make sure to connect with us on our new page:

https://www.linkedin.com/company/association-of-belltel-retirees/.

See you on the internet!

What Was – Vs. - What Is Verizon Today?

(Continued from page 1)

But since the pre- and post-year 2000 days, our former employer has grown to be one of the 50 largest corporations, according to Fortune Magazine's Fortune 50 ranking.

In 2018 it had revenues of $131 billion; its 2018 dividends paid out $9.8 billion to shareholders; while the company has 144,500 salaried employees. This is no longer your homespun regional telephone company.

It is likely that Alexander Graham Bell or Federal Judge Harold Greene would hardly recognize the technology and communications conglomerate Verizon is today.

So, what is the NOW Verizon?

There are many unique and talent filled companies that in recent decades have joined our ranks. Some of the logos (to the right) you might even recognize.

It is very likely that we missed mentioning a dozen or so other subsidiaries or operating units of today's mighty Verizon, but I think the point is clear. Regardless if you had a bell-shaped head (a Telephone Company reference) or you are a 2018, modern-day tech wizard in machine learning, Telemedicine, advanced drone technology or the tracking and logistics on the European Continent, our Association of BellTel Retirees is your Alumni Association. Be active and be involved!

We are here to advocate for your earned retirement protections. If you are one of the talented individuals that made a difference in your working years, regardless of the name of the Verizon entity you originally hailed from, we are all now in the same boat.

Join today and help us to continue to grow and evolve your association.

Important Mini-Meeting Dates

Mark your calendars, as we have added more dates and locations to our slateof mini-meetings in 2019! After visiting Florida in late February, we will be all over the Northeastern United States, so come out and join us!

It is never too early to RSVP, so if you're able to attend any of the below meetings, please let us know as soon as possible! You can call the office at 1-800-261-9222 or email us at association@belltelretirees.org.

As always, our ears are wide open to suggestions for more mini-meeting locations, so please reach out if you have somewhere in mind for the fall and winter. The educational value—not to mention the cultivation of human connections—at these meetings is truly inimitable, and we want as many of our members to experience it as possible.

HUDSON VALLEY, NY & close to FAIRFIELD COUNTY, CT
American Legion Argonne
March 20
21 Ice Pond Road, Brewster, NY 10509
1PM - 3 PM

LONG ISLAND, NY - APRIL 24
VFW Post #7763
1012 Park Boulevard,Massapequa Park, NY
1PM - 3 PM

MASSACHUSETTS - MAY 7
Boston Lodge of Elks #10
1 Morrell Street, West Roxbury, MA 02132
1PM - 3 PM

BRONX, NY - JULY 18
American Legion Post
1456 Shore Drive, Bronx, NY 10465
Noon - 2PM

LONG ISLAND, NY - AUGUST 22
Hauppauge Library
1373 Veterans Highway
Hauppauge, NY 11788
11AM - 1PM

FAMILIAR FACES MAKING NEWS

William Barr

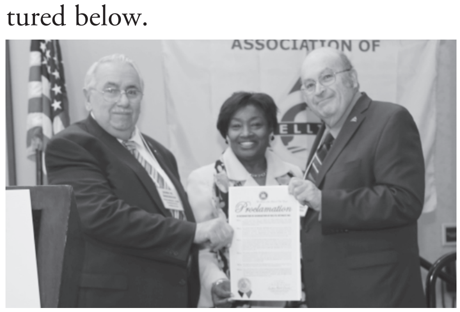
As of the writing of this newsletter, William Barr has been nominated by President Donald Trump to be the next Attorney General of the United States. If that name looks familiar to you, it might be because he previously served in the same position in President George H.W. Bush's Administration. You might also recognize him from his days at GTE.

In 1994, Barr became Executive Vice President and General Counsel of GTE Corporation, where he served for 14 years. During his corporate tenure, Barr directed a successful litigation campaign by the local telephone industry to achieve deregulation by scuttling a series of FCC rules, personally arguing several cases in the federal courts of appeals and the Supreme Court. In 2008, when GTE merged with Bell Atlantic to become Verizon Communications, he left that position.

Andrea Stewart-Cousins

New York State Senator Andrea Stewart-Cousins became the first woman in the history of the state to lead a majority conference in the New York State Legislature, becoming the first female Senate Majority Leader in New York history. She represents NY Senate District 35, which includes Greenburgh, Scarsdale and portions of Yonkers, White Plains and New Rochelle, in Westchester County, NY. In this powerful role she is the de facto Speaker of the House Upper Chamber of the legislature.

Prior to her career in public service, Senator Stewart-Cousins worked in sales and marketing for New York Telephone for thirteen years. Over the years she has been a friend to the Association, and in 2016 she presented us with a legislative proclamation honoring 20 years of advocacy success, and served as a speaker at our Annual Member Meetings, surrounding by friendly faces, pictured below.



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Call 800-261-9222 or
Email: association@belltelretirees.org

Advertising Information

OUR MISSION:

The Association of BellTel Retirees Inc. is dedicated to promoting the protection and enhancement of the pensions and benefits for all retirees and beneficiaries of the companies and subsidiaries that make up the Verizon and Idearc/SuperMedia/Dex Media Corporations.

The Association will convince the company to properly care for its thousands of dedicated former union and management employees.

The Association will conduct activities designed to educate elected federal, state and local representatives and promote the passage of legislation which will protect and guarantee, rather than invade our hard-earned pension and benefits fund.

verizon BUSINESS NEWS

Verizon's Q4 profit takes a hit:

Verizon's net income in Q4 of 2018 fell to $1.94 billion, or 47 cents per share, in the quarter, from $18.78 billion, or $4.56 per share, a year earlier, when it recorded a $16.8 billion one-time benefit from the U.S. tax overhaul.

Revenue for the Verizon Media Group, formerly called Oath and includes Yahoo and AOL, was $2.1 billion during the quarter, down 5.8 percent from the prior year.

Despite missing their quarterly revenue estimates, Verizon has added approximately twice as many new wireless subscribers.

Verizon predicts an increase in 2019 capital spending in the range of $17- $18 billion, which includes expanding the commercial launch of its 5G wireless technology, from $16.7 billion last year.

Verizon's 5G home internet was launched in four cities last October and claimed to be the first to offer a commercial 5G product in the United States. The company said in December it was working with Samsung to launch 5G-enabled smartphones in the first half of 2019.

Verizon, which has 118 million wireless customers, said it added a net 653,000 so-called "postpaid" phone subscribers during the fourth quarter, beating the average estimate of 355,600.

The company lost 46,000 Fios video subscribers during the quarter, more than the 29,000 it lost last year, as viewers leave for cheaper internet television rather than pay for pricier cable packages.

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Verizon Media Cutbacks:

Verizon is cutting 7% of its media and advertising staff, which includes AOL and Yahoo. This cut represents 800 jobs and will come from consolidating business units including Yahoo Mail which will become Yahoo Home.

Verizon spent approximately $10 billion buying former Internet pioneers Yahoo and AOL but found the financial benefits from integrating those two companies were less than expected. The company will now be focusing on mobile and video production.

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First Responders Outreach Partnership Announced in Super Bowl Ad:

In their $5.5 million Super Bowl advertisement this year, Verizon chose to pay tribute to firefighters of the California wildfires following criticism they faced in 2018 for "throttling" the data speeds of these first responders during some of the state's largest wildfires.

Verizon slowed down a fire department's internet services because the department had hit its plan's limit while coordinating tactics to fight the Mendocino Complex Fire and help to protect the lives and property of those affected.

In August, the Silicon Valley fire chief submitted court documents that showed critical communication disruptions. From this point on, Verizon said it would provide full network service to first responders during disasters.

Verizon launched a partnership with First Responders Outreach and offers a discount plans for first responders and a communications lane for first responders during emergencies.

Verizon has also created a 30-minute documentary in which 11 NFL players and 1 coach tell stories of first responders saving their lives.