

# 2016 E-INFORMATION AND ACTION GUIDE



FOR PARTICIPANTS IN THE MANAGEMENT RETIREE PLAN DESIGN<sup>1</sup>

<sup>1</sup>Includes COBRA participants and survivors in the Family Security Program (FSP).

## 2016 ANNUAL OPEN ENROLLMENT PERIOD

Special Online-Only Enrollment Period:

September 28, 2015 – October 4, 2015

You will have an opportunity to make your elections on the Your Benefits Resources™ (YBR) website at <http://resources.hewitt.com/alcatel-lucent> beginning Monday, September 28, 2015 at 9:00 a.m., Eastern Time (ET), through Sunday, October 4, 2015. **During this time, you may view your 2016 coverage and costs, and enroll or make changes to your 2016 coverage — online only — using the YBR website.**

**You will not be able to call the Alcatel-Lucent Benefits Center to enroll or make changes to your 2016 coverage, or to ask questions about your 2016 plan options and pricing, until Monday, October 5, 2015 at 9:00 a.m., ET.**

**Special Online-Only Enrollment Period:**  
September 28, 2015 –  
October 4, 2015

**Enrollment Period (online and by phone):**  
October 5, 2015 –  
October 16, 2015

Enrollment Period (online and by phone):

October 5, 2015 – October 16, 2015

You may enroll in and/or change your 2016 Alcatel-Lucent health and welfare benefits coverage elections online on the YBR website or by calling the Alcatel-Lucent Benefits Center starting on Monday, October 5, 2015 at 9:00 a.m., ET, through Friday, October 16, 2015 at 5:00 p.m., ET.

**You must take action before Friday, October 16, 2015 at 5:00 p.m., ET. Late enrollments will not be accepted.**

Prepare to make your benefits decisions by reading the sections below.

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## WHAT'S CHANGING FOR 2016

(This section is a Summary of Material Modifications [SMM] to the Summary Plan Description [SPD].)

The following changes to current Alcatel-Lucent benefits coverage under the Alcatel-Lucent health and welfare benefit plans (the "Plans") will take effect on January 1, 2016.

### If You Are Not Eligible for Medicare: Changes to Your Prescription Drug Coverage

The following changes were made to your prescription drug coverage over the past several months:

- **Effective September 1, 2015**, you will pay double your retail copayment if you purchase a maintenance medication more than three times at an in-network retail pharmacy. (Maintenance medications are those used on an ongoing basis to treat conditions such as high blood pressure, high cholesterol and asthma.) You will pay only your home delivery copayment if you purchase the maintenance medication through the Express Scripts Pharmacy<sup>SM</sup>.
- Alcatel-Lucent is committed to keeping the cost of your prescription drugs down while providing you with the coverage you need. With this goal in mind, Express Scripts uses a set of coverage management programs to determine how the Prescription Drug Program will cover certain prescription drugs. **Additional coverage management programs were added as of May 1 and August 1, 2015.** You will be notified by Express Scripts if you are impacted.

#### Other Changes May Apply to HMO Coverage

Unless noted, the changes in this guide do not apply to Health Maintenance Organization (HMO) options. You will need to check the YBR website during the annual open enrollment period or contact the carriers of those options directly for their 2016 plan changes. Carrier contact information is located on the back of your HMO ID card and in the Benefits At-a-Glance and Resource Contact Information booklet.

### If You Are Medicare-Eligible: Changes to the Express Scripts Medicare<sup>®</sup> (PDP) for Alcatel-Lucent

Effective January 1, 2016, your prescription drug copayments will increase as follows:

In-Network	2015	2016
<b>Retail Copayments</b> (up to a 34-day supply) <sup>5</sup>	<ul style="list-style-type: none"> <li>▪ Level One<sup>1</sup>: \$10</li> <li>▪ Level Two<sup>2</sup>: \$25</li> <li>▪ Level Three<sup>3</sup>: \$45</li> <li>▪ Level Four<sup>4</sup>: \$60</li> </ul>	<ul style="list-style-type: none"> <li>▪ Level One<sup>1</sup>: \$15</li> <li>▪ Level Two<sup>2</sup>: \$30</li> <li>▪ Level Three<sup>3</sup>: \$50</li> <li>▪ Level Four<sup>4</sup>: \$65</li> </ul>
<b>Mail-Order Copayments</b> (up to a 90-day supply)	<ul style="list-style-type: none"> <li>▪ Level One<sup>1</sup>: \$20</li> <li>▪ Level Two<sup>2</sup>: \$50</li> <li>▪ Level Three<sup>3</sup>: \$90</li> <li>▪ Level Four<sup>4</sup>: \$120</li> </ul>	<ul style="list-style-type: none"> <li>▪ Level One<sup>1</sup>: \$30</li> <li>▪ Level Two<sup>2</sup>: \$60</li> <li>▪ Level Three<sup>3</sup>: \$100</li> <li>▪ Level Four<sup>4</sup>: \$130</li> </ul>

<sup>1</sup> Generic drugs on Express Scripts standard Medicare Part D formulary

<sup>2</sup> Plan-preferred brand-name drugs on Express Scripts standard Medicare Part D formulary

<sup>3</sup> Non-plan-preferred brand-name drugs on Express Scripts standard Medicare Part D formulary

<sup>4</sup> Specialty drugs with average costs of more than \$500/month on Express Scripts standard Medicare Part D formulary

<sup>5</sup> 60- and 90-day supplies are available at double and triple copayments; for cost savings, use mail order

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In addition, due to adjustments made by the Centers for Medicare & Medicaid Services (CMS), the following changes to your drug coverage for 2016 will also be made:

- The annual deductible is increasing.
- The prescription drug cost limit is increasing.
- Cost-sharing is changing in the “donut hole.”
- Cost-sharing is changing outside of the “donut hole.”

The chart below highlights the CMS adjustments for 2016.

	2015	2016
<b>Deductible amount</b>	\$320	<b>\$360</b>
<b>“Donut hole”</b>	After total payments (including copayments and deductible, plus the Plan’s cost for the drugs) reach \$2,960, you pay 65% of the cost of generic drugs and about 45% of the cost of most brand-name drugs, up to \$4,700.	After total payments (including copayments and deductible, plus the Plan’s cost for the drugs) reach <b>\$3,310</b> , you pay <b>58%</b> of the cost of generic drugs and about 45% of the cost of most brand-name drugs, up to <b>\$4,850</b> .
<b>Cost-sharing outside of the “donut hole”</b>	You pay the greater of 5% of the cost or a copayment of \$2.65 for generics/\$6.60 for brand-name drugs, per prescription, for the remainder of the year.	You pay the greater of 5% of the cost or a copayment of <b>\$2.95</b> for generics/ <b>\$7.40</b> for brand-name drugs, per prescription, for the remainder of the year.

While you are in the “donut hole,” either the Plan pays the rest of the costs for covered drugs, or they are paid for by drug manufacturers’ discounts.

For more information about how the Plan works, see the Benefits At-a-Glance and Resource Contact Information booklet.

## Premium Costs

Review the YBR website at <http://resources.hewitt.com/alcatel-lucent> during the annual open enrollment period for your 2016 premium costs.

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## New Process for Requesting Copies of Annual Open Enrollment Information by Telephone

The easiest and most convenient way to access the information you need to enroll continues to be through the YBR website at <http://resources.hewitt.com/alcatel-lucent> during the annual open enrollment period. However, if you do not have Internet access, or if you have Internet access but prefer to have a copy of the enrollment information sent to you, you must make your request through the Alcatel-Lucent Benefits Center's automated system **only**.

Like YBR, the automated telephone system is easy and convenient to use, and it is available 24/7. **Starting September 28**, just follow these three simple steps:

1. Call the Alcatel-Lucent Benefits Center at 1-888-232-4111.
2. When prompted, enter the last four digits of your Social Security Number and your date of birth (mm-dd-yyyy). (In a few cases, you may also be prompted to enter your ZIP code.) No password required!
3. Anytime during the "It's Annual Enrollment time!" greeting, say "Annual Enrollment" and then say:
  - "Request enrollment kit" to request a copy of your annual open enrollment kit; or
  - "Send enrollment confirmation" to request a copy of your default coverage record (that is, a record of the coverage that is currently on file with the Alcatel-Lucent Benefits Center and that will be in place for you on January 1, 2016 if you **do not** make any changes during annual open enrollment).

### **New This Year If You Enroll Online — Enhanced Online Enrollment Confirmation Statements**

Good news! We have upgraded the enrollment confirmations that are emailed to you after you enroll online via YBR.

Your enhanced enrollment confirmation will automatically be emailed to you, if you have a preferred email address on file. Your confirmation will show all your benefit elections as well as their monthly costs.

The copy(ies) that you have requested will be mailed to your address on file within seven to 10 business days.

*Note that if you have signed up to receive communications from the Alcatel-Lucent Benefits Center electronically, the copy of your default coverage record will be sent to your Secured Participant Mailbox on YBR within one business day. Annual open enrollment kits are always sent via U.S. Postal mail.*

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# HEALTHCARE REFORM UPDATE FOR 2016

The Affordable Care Act (healthcare reform) continues to bring big changes to the U.S. healthcare system.

## If You Are Not Eligible for Medicare

As a reminder, in accordance with the Affordable Care Act, if you **are not** eligible for Medicare, you have an alternate source from which to purchase health insurance: the health insurance marketplace that is available in your area.

**You should compare your Alcatel-Lucent health coverage with the coverage available through the marketplace.** Many participants not eligible for Medicare may find marketplace coverage to be more affordable than medical coverage offered through the Alcatel-Lucent Plan.

If you enroll in Alcatel-Lucent health coverage during annual open enrollment and later decide to enroll in marketplace coverage for 2016 during the marketplace open enrollment period (November 1, 2015 – January 31, 2016), you can drop your Alcatel-Lucent coverage. But keep in mind: If you drop Alcatel-Lucent coverage, Alcatel-Lucent medical **and** prescription drug coverage for **all** members of your family will end, including those eligible for Medicare.

**You must call the Alcatel-Lucent Benefits Center by December 31, 2015, to drop your Alcatel-Lucent coverage that would be effective as of January 1, 2016.** If you call after December 31, your coverage will be dropped as of the first of the month following the date you call. (Note that the effective date that your coverage will be dropped may differ if your medical option requires a disenrollment form.)

The effective date for marketplace coverage will depend on when it is purchased, as described on [HealthCare.gov](http://HealthCare.gov). Please visit [HealthCare.gov](http://HealthCare.gov) for the most current information about health coverage available through the marketplace. The Alcatel-Lucent Benefits Center cannot answer any questions about marketplace coverage.

**Note:** If you enroll in health coverage through the marketplace instead of through Alcatel-Lucent, you may not be able to enroll in Alcatel-Lucent coverage in the future. Please see the “Notes” on page 7 and refer to the SPD for information on when you can make changes to your coverage.

## If You Are Medicare-Eligible

The Affordable Care Act **does not** permit persons who are eligible for Medicare to buy health insurance through the health insurance marketplace. If you are eligible for Medicare and do not want to enroll for Alcatel-Lucent coverage, you may buy Medicare supplemental insurance on your own (for example, from an insurance company, broker or other resource that offers Medicare supplement plans).

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## CHECK YOUR DEFAULT COVERAGE

### What Is Default Coverage?

Your default coverage is the Alcatel-Lucent health and welfare benefits coverage you and your covered dependent(s) will be automatically enrolled in for 2016 if you do not take any action during the annual open enrollment period. **Because your default coverage for 2016 may in some cases be different than your 2015 coverage, it is your responsibility to confirm that your 2016 default coverage shown on the YBR website during the annual open enrollment period is the coverage that you want for 2016.**

You can find your default coverage on the YBR website at <http://resources.hewitt.com/alcatel-lucent>. This information is available to view on the YBR website from Monday, September 28, 2015 at 9:00 a.m., ET, through Friday, October 16, 2015 at 5:00 p.m., ET, when the annual open enrollment period ends.

If you would like to have a record of your default coverage sent to you, please follow the instructions outlined in “New Process for Requesting Copies of Annual Open Enrollment Information by Telephone” on page 4.

#### Do You Need to Take Action?

You may already be enrolled in the right coverage for yourself and your family and may not need to take any action during the annual open enrollment period. However, you will need to take action to:

- Choose coverage other than your default coverage;
- Add<sup>2</sup> or remove dependent(s) from coverage;
- Enroll in a Point of Service (POS) medical option, if a POS option is not shown as an available option on the YBR website and you are eligible to enroll in a POS option; and/or
- Make any other changes to your 2016 health and welfare benefits coverage.

If you do not take action during the annual open enrollment period, you will receive the default coverage shown on the YBR website during the annual open enrollment period.

<sup>2</sup> Make sure your dependents are eligible under Alcatel-Lucent's eligibility rules before you add them to your coverage. You can view eligibility rules on the YBR website or the BenefitAnswers Plus website at [www.benefitanswersplus.com](http://www.benefitanswersplus.com). You will be asked to verify the eligibility of the dependent(s) you enroll for coverage.

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# THINKING OF OPTING OUT OF MEDICAL AND/OR DENTAL COVERAGE?

## During the Annual Open Enrollment Period

- You have the option to opt out of your coverage during the annual open enrollment period on the YBR website at <http://resources.hewitt.com/alcatel-lucent>, regardless of your Medicare eligibility.
- When you opt out of medical (which includes prescription drug) coverage, you can still keep your dental coverage, and vice versa.
- You may be eligible to opt back in to medical (which includes prescription drug) coverage and/or dental coverage without the requirement of a physical during a future annual open enrollment period or if you have a qualified status change.

## Outside of the Annual Open Enrollment Period

- You can drop coverage at any time during the year.
- When you drop medical (which includes prescription drug) coverage, you can still keep your dental coverage, and vice versa.
- You will only be able to re-enroll during a future annual open enrollment period or if you have a qualified status change.
- To drop coverage outside of the annual open enrollment period:
  - **If you are not eligible for Medicare** — Call the Alcatel-Lucent Benefits Center.
    - **Important:** If you enroll in Alcatel-Lucent health coverage during annual open enrollment and later decide to enroll in marketplace coverage for 2016 during the marketplace open enrollment period (November 1, 2015 – January 31, 2016), you can drop your Alcatel-Lucent coverage for 2016. See page 5 for more information.
  - **If you are Medicare-eligible** — Call the Alcatel-Lucent Benefits Center.
    - **Remember:** Enrolling in a private insurer's Medicare Part C or Medicare Part D option outside of the Alcatel-Lucent Plan **does not** automatically disenroll you from Alcatel-Lucent medical (which includes prescription drug) coverage. Your enrollment in Alcatel-Lucent coverage is regulated by CMS, so you will be notified by the Alcatel-Lucent Benefits Center of the earliest possible effective date for disenrollment (based on CMS guidelines). Please note that if you disenroll from medical coverage, you will also be disenrolled from prescription drug coverage. For more information about Medicare, see "What You Need to Know About Medicare" on page 11.

### Notes:

- Before you drop coverage for any plan, please refer to the applicable plan SPD to understand the consequences and determine whether you will be eligible to re-enroll in that plan.
- If you drop coverage for any reason at any time, you may be required to complete forms, depending on the city and/or state in which you live.

### Note for Survivors in the Family Security Program (FSP)

- You are not eligible to add new dependents to medical coverage at any time.
- If you drop or lose Alcatel-Lucent medical coverage for any reason, you can **never** re-enroll.

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## HOW TO TAKE ACTION

If you determine that you need to change your default coverage and take action during the annual open enrollment period, do it easily through the YBR website at <http://resources.hewitt.com/alcatel-lucent>. Keep in mind that this year, you can make your elections on the YBR website beginning on September 28, 2015. (You will not be able to call the Alcatel-Lucent Benefits Center to enroll or make changes to your 2016 coverage, or with questions about your 2016 plan options and pricing, until Monday, October 5, 2015 at 9:00 a.m., ET.)

**Remember**  
**You must take action before**  
**Friday, October 16, 2015**  
**at 5:00 p.m., ET. Late**  
**enrollments will not be**  
**accepted.**

## Using YBR

Before you begin, make sure you have your password ready (the same one you use when calling the Alcatel-Lucent Benefits Center), along with any information — including Social Security Number(s) — for any new eligible dependent(s) you may be adding to your coverage.

Then, when you are ready to begin, keep in mind these helpful hints:

- **Set aside enough time** to complete the enrollment process without interruption (after 15 minutes of inactivity on the YBR website, you will be automatically logged off and any elections made up to that point will not be saved).
- **The first time you log on from a particular device**, you will be prompted to choose and answer a series of security questions. This will register your device with the YBR website and provide additional protection for your personal information.
- **You have the option to choose** how you would prefer to receive communications from the Alcatel-Lucent Benefits Center. Click the “Go Paperless” tile under “Highlights for You.” Follow the prompts to choose your preferred method of delivery (electronically or postal mail) and verify your contact information. **Please note:**
  - Communications delivered electronically will get to you faster, whereas communications delivered by mail may take up to 10 days.
  - Your election for receipt of communications on the YBR website will not impact the method of delivery for your annual open enrollment kit. If you would like to have a copy of your annual open enrollment kit mailed to you, please follow the instructions outlined in “New Process for Requesting Copies of Annual Open Enrollment Information by Telephone” on page 4.
- **Review your dependent(s) on file for each of your benefit plans** — and make any updates or corrections.
- **Click “Complete Enrollment”** when you are done making your elections or if you must log off the YBR website before completing your elections — otherwise, your elections made up to that point will not be saved. You can log back on and make any additional changes before your enrollment deadline (Friday, October 16, 2015 at 5:00 p.m., ET) even if you have already completed your enrollment.
- **You may save or print your elections** — if you like, save or print the “Completed Successfully!” page for your records when you are finished taking action.
- **Log off the YBR website** when you are finished to prevent others from viewing your information — when “You’ve Logged Off” appears on the screen, you will know your information is protected.
- **Watch for your enrollment confirmation** in your email. If you have a preferred email address on file, a detailed confirmation of enrollment statement will be emailed to you after you have completed your enrollment on YBR. The statement will show all your benefit elections as well as their monthly costs. Be sure to save it for your records.

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## IMPORTANT REMINDERS

Take note of the following for the annual open enrollment period — and all year.

- **Re-enrolling, or enrolling in the UnitedHealthcare® Group Medicare Advantage (PPO) for the first time?** CMS requires that you provide a street address, and not a P.O. Box, in order to process your enrollment in this plan. Note that after annual open enrollment ends, UnitedHealthcare will mail additional plan information, along with new member ID cards, to *all* UnitedHealthcare Group Medicare Advantage (PPO) members for 2016. (Your plan number will not change.)
- **Is a POS option not listed as a coverage option on the YBR website?** You may live in an area with limited access to doctors and hospitals in a POS network. If a POS option is not shown as an available option on the YBR website at <http://resources.hewitt.com/alcatel-lucent> and you are not eligible for Medicare, you can still enroll in a POS option if you are comfortable with the distance between you and POS network doctors and hospitals. If you are currently enrolled in a POS option for 2015 under these circumstances, your POS coverage will **not** automatically carry over to 2016. You must take action to re-enroll.
  - **If you are eligible to enroll in a POS option for 2016 and it is not listed as a coverage option on the YBR website, call the Alcatel-Lucent Benefits Center at 1-888-232-4111 during the annual open enrollment period to enroll. Please note: POS options are not available to survivors in the Family Security Program (FSP).**
- **If you are eligible for dental coverage but the DMO option is not listed as a coverage option on the YBR website:** You may live in an area with limited access to dentists in the DMO network. If the DMO option is not shown as an available option on the YBR website at <http://resources.hewitt.com/alcatel-lucent>, you can still enroll in it if you are comfortable with the distance between you and the dentists who participate in the DMO network. If you are currently enrolled in the DMO option for 2015 under these circumstances, your DMO coverage will **not** automatically carry over to 2016. **You must take action. To re-enroll, call the Alcatel-Lucent Benefits Center at 1-888-232-4111 during the annual open enrollment period.**
- **Looking for an in-network UnitedHealthcare® POS provider?** Use the information below when you are looking for an in-network POS provider on the UnitedHealthcare website (remember, you can also find in-network providers using the YBR website):
  - On [www.myuhc.com](http://www.myuhc.com), click on “Find Physician, Laboratory or Facility” and then choose your plan: if you live in Maine, Massachusetts or New Hampshire, choose “UnitedHealthcare Choice Plus with Harvard Pilgrim”; if you live in any other state, choose “UnitedHealthcare Choice Plus.”
- **Keep in mind: Changes in your doctor’s or healthcare provider’s network participation are not considered qualified status changes.** Medical carriers’ contracts with network providers may expire at any time during the year. You will not be able to make changes to your coverage and/or add/drop dependents outside of the annual open enrollment period due to these types of changes. Visit the BenefitAnswers Plus website at [www.benefitanswersplus.com](http://www.benefitanswersplus.com) for more information about qualified status changes.
- **Are you dropping a dependent from coverage? (What you should know about COBRA.)** COBRA is not offered to dependents removed from coverage during the annual open enrollment period. If your dependent is experiencing a qualified status change and you remove him or her from your coverage during the annual open enrollment period, your dependent will not be eligible for COBRA continuation coverage. To be eligible for COBRA, dependents

**Premium costs for Alcatel-Lucent health and welfare coverage are either deducted from monthly pension payments, or directly billed.**

**Retirees who want to switch from direct billing to pension deductions should call the Alcatel-Lucent Benefits Center.**

**Participants who are direct billed may go to the YBR website to elect the Direct Debit or Pay Now method of payment.**

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experiencing a qualified status change must be removed through the “Life Events” section on the YBR website (or by calling the Alcatel-Lucent Benefits Center) within 31 days of the qualified status change.

- **You are eligible to participate in the Vision Discount Program, as one of the “voluntary benefits” offered by Added Benefits.** As an Alcatel-Lucent retiree, you can enjoy discounts on a wide variety of eye care services, including comprehensive eye exams, eyeglasses, contact lenses and LASIK surgery at participating providers. The Vision Discount Program is available to you at **no cost**, and enrollment is not required. Note that voluntary benefits are offered through Added Benefits; they are not sponsored by Alcatel-Lucent nor provided under the Alcatel-Lucent plans. To learn more or to print your Vision Discount Program ID card, visit [www.addedbenefitsaccess.com](http://www.addedbenefitsaccess.com). You can also call Added Benefits at 1-800-622-6045.
- **You may also be eligible for additional voluntary benefits (identity management services and auto and home insurance).** You can enroll in or drop these coverages anytime during the year. The enrollment information in this guide does not apply to any voluntary benefits that may be available to eligible retirees. Information about voluntary benefits, which are not sponsored by Alcatel-Lucent nor provided under the Alcatel-Lucent plans, may be found at [www.addedbenefitsaccess.com](http://www.addedbenefitsaccess.com) or by calling Added Benefits at 1-800-622-6045.
- **Do you receive a Form W-2?** The Affordable Care Act (ACA; healthcare reform) requires that employers disclose the value of the employer-provided benefit for health insurance coverage on each participant’s Form W-2. This means that plan participants who receive a 2015 Form W-2 from Alcatel-Lucent will see the cost of their coverage reported on their Form W-2 in box 12. **This is an employer reporting requirement only.**
- **You may receive and need to file a new ACA-required form in 2016.** Starting with the 2015 tax year, the ACA requires that employers provide Form 1095-C to certain (but not all) plan participants by the end of January 2016. No action on your part is required at this time. If you are required to receive and file a Form 1095-C, you will receive the form by the end of January 2016.
- **Be sure your beneficiaries are up to date.** Take care of the people who matter most. Use this annual open enrollment opportunity to review, add or update your beneficiary designation(s) on file. Visit the BenefitAnswers Plus website at [www.benefitanswersplus.com](http://www.benefitanswersplus.com) for information.
- **Review your permanent address on file.** As a reminder, the Alcatel-Lucent Benefits Center recognizes your permanent address on file as your mailing address. Please be sure to keep it current.

## Help Us Go Green(er)!

As part of our corporate commitment to the environment, we will continue to provide more of your benefits information online instead of in print. So if you have not yet signed up to receive communications from the Alcatel-Lucent Benefits Center electronically, please take a few moments to do so now.

You do not need to wait until annual open enrollment to choose this option. Just log on to the YBR website anytime. Select “Your Profile” and click “Personal Information.” Follow the steps to provide your preferred email address and update your preferred method of delivery.

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## WHAT YOU NEED TO KNOW ABOUT MEDICARE

Your Alcatel-Lucent medical and prescription drug coverage may be impacted by Medicare.

Take note of these details if you and/or your dependent(s) are Medicare-eligible.

### Alcatel-Lucent Coverage Options When You Are Medicare-Eligible but Your Dependent Is Not (and Vice Versa)

In most cases, covered dependent(s) must be enrolled in the same Alcatel-Lucent medical option and with the same healthcare carrier that you choose for yourself. However, there are exceptions:

#### If You Are Medicare-Eligible

If you elect the following medical option...	Then coverage for you and your Medicare-eligible dependent(s) will be...	And coverage for your dependent(s) not eligible for Medicare will be...
UnitedHealthcare Group Medicare Advantage (PPO)	UnitedHealthcare Group Medicare Advantage (PPO), and the Express Scripts Medicare (PDP) for Alcatel-Lucent	Enhanced Point of Service (POS) medical and Express Scripts prescription drug coverage, if there is a UnitedHealthcare Enhanced POS in your area — otherwise, Traditional Indemnity medical and Express Scripts prescription drug coverage
Medicare Health Maintenance Organization (HMO)	Medicare HMO, with Medicare HMO prescription drug coverage	HMO, with HMO prescription drug coverage

#### If You Are Not Eligible for Medicare

If you elect the following medical option...	Then coverage for you and your dependent(s) not eligible for Medicare will be...	And coverage for your Medicare-eligible dependents will be...
Enhanced or Standard Point of Service (POS)	Enhanced or Standard POS medical and Express Scripts prescription drug coverage	Traditional Indemnity, with Medicare primary, and the Express Scripts Medicare (PDP) for Alcatel-Lucent
Traditional Indemnity	Traditional Indemnity medical and Express Scripts prescription drug coverage	Traditional Indemnity, with Medicare primary, and the Express Scripts Medicare (PDP) for Alcatel-Lucent
Health Maintenance Organization (HMO)	HMO, with HMO prescription drug coverage	Medicare HMO, with Medicare HMO prescription drug coverage

<sup>1</sup>Includes COBRA participants and survivors in the Family Security Program (FSP).



# 2016 E-INFORMATION AND ACTION GUIDE

FOR PARTICIPANTS IN THE MANAGEMENT RETIREE PLAN DESIGN<sup>1</sup>

## You Must Be Enrolled in Medicare Part B

Under Alcatel-Lucent Plan provisions, Medicare-eligible participants must be entitled to Medicare Part A and enrolled in Medicare Part B to receive benefits coverage through the Plan. When you are enrolled in Medicare Part B, you will pay a monthly premium cost for coverage and may also be required to pay a premium cost for the Alcatel-Lucent retiree healthcare coverage that you choose.

Medicare Part B offers medical benefits, such as doctor and ambulance services. You may become automatically enrolled in Medicare Part B if you receive Social Security benefits. Check with Medicare for information about your personal situation.

## Medicare Part C Medical Options — What You Should Know

- **Medicare Advantage Preferred Provider Organization (PPO) plans (like the UnitedHealthcare Group Medicare Advantage [PPO]) and Medicare HMOs are “Medicare Part C” options.** By enrolling in one of these medical options, you agree to receive standard Medicare Part A and Medicare Part B services through that medical option.
- **If you enroll (or continue coverage) in a Medicare HMO offered by the Plan, you will receive prescription drug coverage directly through that Medicare HMO.** Plan designs vary. You must go to hospitals and doctors in the Medicare HMO’s network to receive coverage.
- **Shortly after enrolling in a Medicare HMO through the YBR website or the Alcatel-Lucent Benefits Center, you may receive form(s) in the mail from the Alcatel-Lucent Benefits Center.** Complete the form(s) with your personal information, Medicare information and signature, and return them to the Alcatel-Lucent Benefits Center by the deadline stated on the form(s) to avoid any delays in receiving coverage.
- **Other Medicare HMO and Medicare Part C options may be available to you from other private insurers.** You cannot be enrolled in more than one Medicare Part C plan option at the same time. Enrolling in a private insurer’s Part C plan does not automatically cancel any Alcatel-Lucent coverages you may have defaulted to or enrolled in during the annual open enrollment period. To enroll in a private insurer’s Part C plan outside of the Company-sponsored Plan during the year, you must call the Alcatel-Lucent Benefits Center to disenroll from your Alcatel-Lucent medical and prescription drug coverage.
- **Medicare HMO premium costs will be final in December.** Because the Medicare HMOs require approval by CMS, the final plan designs and premium costs will not be available to the Alcatel-Lucent Benefits Center during the annual open enrollment period. It is expected that the Alcatel-Lucent Benefits Center will have the final plan designs and premium costs in December. If you decide to enroll in a Medicare HMO during Alcatel-Lucent’s annual open enrollment period, and the premium cost is later reduced, you will receive written notification. The premium cost will not be higher than what is shown on the YBR website during the annual open enrollment period.

### **Enrollment and Disenrollment Are Not Solely Within the Control of Alcatel-Lucent, and Rely Heavily on Decisions Made by CMS**

At any time during the year, you can disenroll from or switch between the UnitedHealthcare Group Medicare Advantage (PPO) and Medicare HMO options offered by the Plan by calling the Alcatel-Lucent Benefits Center at 1-888-232-4111. However, CMS approval is required. As a result, all elections and effective dates of coverage are driven by CMS. To determine which Medicare HMOs are available to you through the Plan, review the YBR website at <http://resources.hewitt.com/alcatel-lucent> during the annual open enrollment period.

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### Other Medicare Part D Plans May Be Available to You

If you enroll in a Medicare Part D prescription drug plan other than the Company-sponsored Express Scripts Medicare (PDP) for Alcatel-Lucent, then you are making the choice to opt out of the Alcatel-Lucent Plan's prescription drug coverage. This means that all of the following apply:

- Your Alcatel-Lucent prescription drug coverage will no longer pay any portion of your prescription medications — even if the Medicare Part D coverage does not pay for a claim.
- You and/or your dependent(s) will need to begin paying premium costs to the new Medicare Part D provider for Medicare Part D coverage.
- Your premium costs, if any, for coverage under the Alcatel-Lucent Plan will not be adjusted. Alcatel-Lucent cannot provide varying contribution structures, **so you will continue to pay the same premium costs** as someone who still has prescription drug coverage under the Alcatel-Lucent Plan.
- Alcatel-Lucent prescription drug coverage will continue to cover:
  - Any dependent(s) not eligible for Medicare who are enrolled in the Alcatel-Lucent Plan; and
  - Any Medicare-eligible dependent(s) who have not enrolled in another Medicare Part D plan.

#### **Find Out More Details About Medicare**

Review details about Medicare Parts A, B, C and D — including premium costs and any applicable deductibles, copayments and other costs — in the Medicare & You handbook on the Medicare website at [www.medicare.gov](http://www.medicare.gov). Or, call Medicare at 1-800-MEDICARE (1-800-633-4227) (TTY: 1-877-486-2048), 24 hours a day, seven days a week.

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## RESOURCES FOR NOW AND LATER

Alcatel-Lucent provides these year-round resources to help you conveniently manage your benefits.

<b>Your Benefits Resources (YBR) Website</b> <a href="http://resources.hewitt.com/alcatel-lucent">http://resources.hewitt.com/alcatel-lucent</a> (personalized and password-protected)	<b>BenefitAnswers Plus Website</b> <a href="http://www.benefitanswersplus.com">www.benefitanswersplus.com</a> (non-personalized — no password required)
<ul style="list-style-type: none"> <li>▪ View your current coverage</li> <li>▪ Review and compare your 2016 healthcare options and premium costs — <b>and enroll online! (September 28, 2015 – October 16, 2015)</b></li> <li>▪ Opt out of your 2016 coverage</li> <li>▪ Find a doctor or healthcare provider</li> <li>▪ Learn more about Alcatel-Lucent’s benefits</li> <li>▪ Review, add or change your dependent(s)’ information on file</li> <li>▪ Understand how a Life Event may change your benefits</li> </ul>	<ul style="list-style-type: none"> <li>▪ See benefits news and updates, including coverage tips and reminders</li> <li>▪ Get your enrollment materials</li> <li>▪ Find answers to your benefit questions</li> <li>▪ View plan-related documents such as Summary Plan Descriptions (SPDs) and Summaries of Material Modifications (SMMs)</li> <li>▪ Find carrier contact information throughout the year</li> </ul>

## More to Come

Be sure to check out the BenefitAnswers Plus website at [www.benefitanswersplus.com](http://www.benefitanswersplus.com) in December for important coverage reminders and tips on using your benefits in 2016. You will find information about your medical plan ID cards, what to do when you experience a qualified status change during the year and more!

**If you do not have access to the Internet, the Alcatel-Lucent Benefits Center can help you resolve a unique benefits issue or enroll in or make changes to your coverage. Call 1-888-232-4111 (1-212-444-0994 if calling from outside of the United States, Puerto Rico or Canada). Representatives are available from 9:00 a.m. to 5:00 p.m., ET, Monday through Friday.**

This communication is intended to highlight some of the benefits provided by Alcatel-Lucent to its eligible participants. More detailed information is provided in the official plan documents. In the event of a conflict between any information contained in this communication and the terms of the plans as reflected in the official plan documents, the official plan documents shall control. The Board of Directors of Alcatel-Lucent USA Inc. (or its delegate) reserves the right to modify, suspend, change or terminate any of its benefit plans at any time. Participants should make no assumptions about any possible future changes unless a formal announcement is made by the Company. The Company cannot be bound by statements about the plans made by unauthorized personnel. This information is not a contract of employment, either expressed or implied, and does not create contractual rights of any kind between the Company and its employees or former employees.

Your Benefits Resources is a trademark of Hewitt Associates LLC.

<sup>1</sup>Includes COBRA participants and survivors in the Family Security Program (FSP).