ANNUAL ENROLLMENT 2016

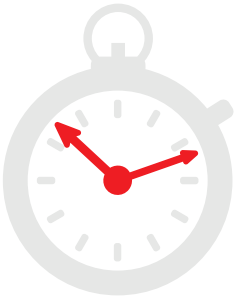
November 9 – November 20, 2015

New York/New England

Dear Verizon Retiree:

Enclosed is the Annual Enrollment guide for the 2016 plan year. This guide reflects the terms that were agreed upon in the 2012 labor contracts. The Company and the Unions are currently in negotiations and are bargaining over possible changes to the plans, including changes that would take effect for the 2016 plan year. If prior to or during the 2016 plan year there are changes that will take effect during the 2016 plan year, you will be provided with new enrollment materials that reflect the changes and you will be given an opportunity to make changes to your coverage.

ANNUAL ENROLLMENT 2016: NOVEMBER 9 – NOVEMBER 20, 2015



Annual Enrollment is the perfect time to review your health care benefits for the upcoming year.

Please review the enclosed materials to familiarize yourself with what you can expect regarding coverage options, contributions, and design changes for the 2016 plan year.

For many plan options, the retiree contributions required for 2016 are different than the amounts required in 2015. Your current elections will automatically continue unless you make a change and you will be subject to any contributions that are required in 2016 for the plan option that you have elected. You should carefully review your plan options for 2016 and elect the plan that is best for you.

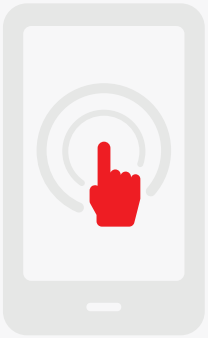
TO REVIEW YOUR BENEFITS OR MAKE CHANGES FOR 2016

To review or make changes to your benefit elections, dependents, or beneficiaries, visit BenefitsConnection at www.verizon.com/benefitsconnection **before midnight Eastern time on November 20.**

If you have questions or need assistance, you can call the Verizon Benefits Center at 1-855-4VzBens (1-855-489-2367). Representatives are available 9 a.m. to 5 p.m., Eastern time.

ACCESS BENEFITSCONNECTION ANYTIME, ANYWHERE!

We are excited to announce that BenefitsConnection has gone mobile! You can now review your benefits information and enroll on any mobile device or computer. Whether you choose a cell phone, tablet, laptop, or desktop, BenefitsConnection is just a click away.



VERIFYING YOUR DEPENDENTS

If you add a dependent to your coverage during Annual Enrollment, or at any time during the year, you will need to provide documentation to verify eligibility. Instructions for completing the dependent verification will be sent to your home address on file after you have enrolled your dependent. If you have questions about eligibility, please refer to your Summary Plan Description (SPD), available in the Library Section of BenefitsConnection.

DEPENDENT CHILDREN ENROLLED IN DENTAL COVERAGE

In order for a dependent child to be eligible for dental coverage after the end of the calendar year in which he/she reaches age 19, he/she must be a full-time student at an accredited institution, or meet the conditions of being disabled. Coverage can continue through the end of the calendar year in which he/she reaches age 25 as long as he/she maintains full-time student status.

Similar to last year, Verizon will work with the National Student Clearinghouse in early 2016 to confirm student eligibility for dependents between the ages of 19 and 25 that are enrolled in dental coverage. If full-time student status cannot be verified, instructions will be mailed to your home address on file. If you do not comply with the instructions provided, your dependent will be dropped from dental coverage.

If your child is not a full-time student, and does not meet the conditions of being disabled, you must remove him/her from dental coverage during Annual Enrollment. If you would like to continue coverage for your dependent(s) through COBRA, please contact the Verizon Benefits Center at 1-855-4VzBens (1-855-489-2367) by December 31, 2015.

MEDICAL COVERAGE

ACCESS TO HEALTH CARE: YOU HAVE OPTIONS

Depending on your personal situation, you may have different medical plan options available to you. You may want to consider the alternatives below.

Not Eligible for Medicare? The Health Insurance Marketplace

There may be options available to you through the Health Insurance Marketplace established by the Affordable Care Act. The best place to get information and answers to any questions about Marketplace options is www.healthcare.gov, where you can view videos, search for health plans and learn more.

The Marketplace is intended to increase access to affordable health care for individuals who do not have access to affordable health care benefits from another source, such as their employer. As you consider whether to forgo your Verizon retiree medical coverage and enroll in a Marketplace option, you need to understand the following potential implications:

- **If you purchase health insurance through the Marketplace,** Verizon will not contribute toward the cost of coverage or help you remit your payment.
- **If you enroll in Verizon retiree medical coverage instead of a Marketplace option,** you are not eligible for any government subsidy to pay for that coverage (i.e., a premium tax credit).
- **If you enroll in a Marketplace option,** you may be eligible for a government subsidy depending on your household income level and whether you are eligible for minimum essential coverage elsewhere.
- **Individuals are required to have "minimum essential coverage," or they must pay a tax.** Both the Marketplace options and Verizon retiree medical coverage meet this definition, so if you are enrolled in either option, you will not be subject to a tax in 2016.

RETIREE MEDICAL COVERAGE

For 2016, you will continue to have a choice of the MEP HCP and HCN medical plan options. The pre-Medicare EPO medical plan option will continue to be available to those currently enrolled in it.

If an HMO is currently available to you, it will continue to be available to you in 2016 as long as you live in a zip code where the HMO is offered. If you have a change in address, please review the options available to you on BenefitsConnection.

There are some changes to your prescription drug maximum copays and out-of-pocket maximum, resulting from the 2012 labor contracts. Please refer to the following chart for details.

At a Glance – Prescription Drugs

Plan Provision	2015	2016
Prescription Drugs: Retail (In-Network)	**Brand (Single-Source):** 30% of discounted network price up to $26.50 maximum copay[1] **Brand (Multi-Source) (Pre-Medicare only):** 30% of discounted network price up to $26.50 maximum copay[1]	**Brand (Single-Source):** 30% of discounted network price up to $28.09 maximum copay[1] **Brand (Multi-Source) (Pre-Medicare only):** 30% of discounted network price up to $28.09 maximum copay[1]
Prescription Drugs: Mail Order	**Brand (Single-Source):** 30% of discounted network price up to $53 maximum copay[1] **Brand (Multi-Source) (Pre-Medicare only):** 30% of discounted network price up to $53 maximum copay[1]	**Brand (Single-Source):** 30% of discounted network price up to $56.18 maximum copay[1] **Brand (Multi-Source) (Pre-Medicare only):** 30% of discounted network price up to $56.18 maximum copay[1]
Prescription Drugs: Mail Order Out-of-Pocket Maximum (MEP HCP medical plan option only)	$742 per person	$786.52 per person

[1] *For pre-Medicare retirees, if you choose a brand-name medication when a generic equivalent is available, you will pay the generic copay/coinsurance plus 100% of the difference in cost between the brand-name and generic. The maximum copay will not apply. This additional cost will apply unless your doctor certifies that you are medically unable to take the generic medication and the exception is approved by Express Scripts.*

MEDICARE PRESCRIPTION DRUG COVERAGE

For most Medicare-eligible retirees and Medicare-eligible family members, prescription drug coverage is provided through a Verizon-sponsored group Medicare Part D plan. This benefit consists of a standard Medicare Part D benefit, plus a supplemental "wrap-around" plan to preserve a comprehensive level of prescription drug benefits.

Medicare-eligible retirees and Medicare-eligible family members who have moved to the Medicare Part D plan with the wrap-around will receive additional information about the program each year as required by Medicare. Retirees and family members who become eligible for Medicare will receive additional information at that time.

RETIREE MEDICAL CONTRIBUTIONS

MEDICAL PLAN CONTRIBUTIONS

Your contributions depend on your retirement date, your net credited service date, and the medical plan option you select.

For All Retirees After January 1, 1992 With a Net Credited Service Date Before August 3, 2008

The 2012 labor contracts provide for limits on the amount the Company will contribute toward retiree medical coverage in 2016 and later plan years. These limits are referred to as retiree medical caps which are listed below:

Retiree Medical Caps

Coverage Category	MEP HCP (pre-Medicare)	MEP HCP (Medicare)	All Other Plan Options (pre-Medicare)	All Other Plan Options (Medicare)
Retiree Only	$15,447	$6,330	$12,580	$6,330
Retiree + 1	$30,893	$12,660	$25,160	$12,660
Retiree + Family	$38,639	$18,990	$31,450	$18,990

In the 2016 plan year, the cost of coverage of each of the Medicare plan options is less than the applicable retiree medical cap. In the 2016 plan year, the cost of coverage of the following pre-Medicare plan options 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 in 2016.

The Company and the Unions are currently in negotiations and are bargaining over possible changes to the plans, including changes that would take effect for the 2016 plan year, which could impact the cost of coverage of certain plans and therefore the amount of contributions resulting from exceeding the applicable retiree medical cap. If prior to or during the 2016 plan year there are changes that will take effect during the 2016 plan year, you will be provided with new enrollment materials that reflect the changes and you will be given an opportunity to make changes to your coverage.

RETIREE MEDICAL CONTRIBUTIONS *(CONTINUED)*

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 NYNE 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

RETIREE MEDICAL CONTRIBUTIONS *(CONTINUED)*

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

In plan years after 2016, additional plan options may exceed the applicable retiree medical caps and require contributions pursuant to the caps. If you would like more information about the retiree caps and how they affect retiree contributions, visit the Library Section of BenefitsConnection. From there, go to *Documents for All Retirees* within the SPD section, then under *Medical/Prescription Drug* select the **Retiree Medical Contributions Supplemental Guide**.

ADDITIONAL INFORMATION

The MEP HCP, HCN, and EPO medical plan options all use the same network of Anthem Blue Cross Blue Shield providers. To compare details of each medical plan option, please visit BenefitsConnection. From the Home Page, select *See Next Year's Health Plan Comparison Charts.*

Please remember that to be eligible for retiree medical benefits, you must meet applicable retirement eligibility requirements (30 years of net credited service; 25 years at age 50; 20 years at age 55; 15 years at age 60 or 10 years at age 65). Please also remember that retiree medical benefits are subject to change in the future.

LIFE INSURANCE

Effective January 1, 2016, there will be a decrease in the rates for the retiree and dependent (spouse/domestic partner and/or child) supplemental life insurance coverage. If you are currently enrolled in supplemental and/or dependent life insurance, a separate letter called a Summary of Material Modification (SMM) will be sent to you, reflective of the monthly 2016 life insurance rates. You can also log on to BenefitsConnection to see your personal options and costs.

If you are enrolled, take this time to review your life insurance elections to be sure they meet your needs. Also, verify your beneficiary information on BenefitsConnection. In the event of your death, the insurance plan administrator will pay proceeds based on your beneficiary information on record.

Keep in mind, the child life insurance plan covers all of your eligible dependent children. **You are responsible for updating your election if your previously eligible dependents no longer meet the eligibility requirements.**

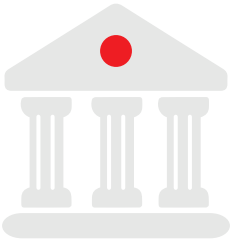
Important Note About Supplemental Life Insurance

The rates for supplemental life insurance are based on age ranges. Your costs for 2016 are based on age as of December 31, 2016.

TO PRINT A CONFIRMATION STATEMENT

If you would like a paper confirmation statement of your 2016 coverage, simply log on to BenefitsConnection at www.verizon.com/benefitsconnection. From the Home Page, under *My Benefits › Health and Insurance*, click on *View Next Year's Coverage*, then select the Print icon in the upper-right corner.

Your enrollment information will continue to be available to you online 24/7. You can also request a confirmation statement be mailed to you by calling the Verizon Benefits Center.



Pre-Medicare Only: A New Tax Form is Coming!

The Affordable Care Act requires all Americans to have healthcare coverage and be able to provide proof of that coverage at tax time. As a result, a new tax form that shows your healthcare coverage for the prior year—called a 1095—is being introduced. You will receive your first Form 1095 in January 2016.

IMPORTANT INFORMATION ABOUT THE AFFORDABLE CARE ACT

Out-of-Pocket Maximum Changes

As required by the Affordable Care Act, your total in-network out-of-pocket costs in 2016, including copays and prescription drug expenses under the medical plan options available to you, will not exceed $6,850 for individual coverage and $13,700 for family coverage. The individual in-network out-of-pocket maximum required by the Affordable Care Act applies to expenses incurred by each individual covered by the plan, regardless of whether the individual is covered under self-only coverage or other-than-self-only coverage (for example, family coverage). **Your underlying medical plans' out-of-pocket maximums remain unchanged, and copays and prescription drug expenses will not apply toward such amounts.**

Preventive Care Updates

Under the Affordable Care Act, your medical options must offer certain preventive care benefits to you in-network without cost sharing. The medical plans generally may use reasonable medical management techniques to determine frequency, method, treatment, or setting for a recommended preventive care service.

Additional updates have been made to the preventive care benefits that must be offered without cost sharing, including (but not limited to) additional details on coverage for breast cancer genetic counseling and in some cases, related testing, contraception (birth control), and colonoscopies. Contact the Verizon medical plan option or prescription drug administrator, such as Express Scripts, for more details.

IMPORTANT LEGAL NOTICES

Notice of Privacy Practices for the Verizon Communications Inc. Health Plans

The Notice of Privacy Practices for the Verizon Communications Inc. Health Plans ("HIPAA Privacy Notice") explains the uses and disclosures the Verizon Health Plans may make of your protected health information, your rights with respect to your protected health information, and the Plans' duties and obligations with respect to your protected health information.

The HIPAA Privacy Notice can be found on BenefitsConnection. You may view the notice and/or print a paper copy from the website; or you also may request a paper copy by calling the Verizon Benefits Center at 1-855-4VzBens (1-855-489-2367).

Summary Health Information Required by the Patient Protection and Affordable Care Act

Summaries of Benefits and Coverage (SBCs) required by the Affordable Care Act are available on BenefitsConnection at www.verizon.com/benefitsconnection. If you would like a paper copy of the SBCs (free of charge), you may contact the Verizon Benefits Center at 1-855-4Vz-Bens (1-855-489-2367).

Verizon is required to make SBCs, which summarize important information about health benefit plan options in a standard format, available to help you compare across plans and make an informed choice. The health benefits available to you provide important protection for you and your family in the case of illness or injury and choosing a health benefit option is an important decision. SBCs are being made available in addition to other information regarding your health benefits including Health Plan Comparison Charts which also can be found on BenefitsConnection.

Actual plan provisions for Company benefits are contained in the appropriate plan documents or applicable Company policies. This Annual Enrollment 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.