

MEMORANDUM OF AGREEMENT
BellSouth Medical Assistance Plan
BellSouth Retiree Medical Assistance Plan

This Memorandum of Agreement is entered into as of June 27, 2007 between the Communications Workers of America (“CWA” or the “Union”) and BellSouth Corporation, a wholly-owned subsidiary of AT&T Inc., and the BellSouth subsidiaries who are parties to current CWA collective bargaining agreements (collectively referred to as the “Company”) regarding revisions to the BellSouth Medical Assistance Plan and BellSouth Retiree Medical Assistance Plan as follows:

The BellSouth Medical Assistance Plan and the BellSouth Retiree Medical Assistance Plan as in effect on May 1, 2007 shall remain in effect for the life of the applicable collective bargaining agreements for all bargaining units currently participating in the Plans with the following revisions:

Effective with this the signing of this agreement:

If a participant is admitted to a out-of-network facility by an in network physician for mental health or substance abuse, the plan will pay benefits of 90% of covered charges per physician visit, limited to two visits per week with a maximum of 52 visits per calendar year, after the deductible is met.

The Mental Health and Substance Abuse benefit pays for three inpatient substance abuse rehabilitation treatments per lifetime for up to 30 days. The three admissions can be inpatient, alternative levels of care or any combination. Each substance abuse admission must be separated by 180 days to be considered separate and not part of the previous admission.

For in network inpatient substance abuse admissions, physician fees will be included in per diem if in network facility contract is inclusive of physician fees or 100% of covered charges if physician fees are

exclusive to in network facility contract. All other fees billed separately from the facility program charges are not covered under the plan.

For out-of-network inpatient substance abuse admissions, any fees, including physician fees, billed separately from the facility program charges are not covered under the plan.

For in network Partial Hospital, Residential, and Intensive Structured Outpatient substance abuse admissions, physician fees will be included in per diem if in network facility contract is inclusive of physician fees or 100% of covered charges if physician fees are exclusive to in network facility contract. All other fees billed separately from the facility program charges are not covered under the plan.

For out-of-network Partial Hospital, Residential, and Intensive Structured Outpatient substance abuse admissions, any fees, including physician fees, billed separately from the facility program charges are not covered under the plan.

For the Union

Beverly A. Hicks

Beverly A. Hicks
Assistant to the Vice President
CWA District 3

For the Company

John P. Trageser

John P. Trageser
Senior Director – Labor Relations
AT&T Southeast

Attachment

Mental Health & Substance Abuse Benefit Change Recommendations

<p style="text-align: center;">Current Benefit</p>	<p style="text-align: center;">Proposed Change New or changed wording is <i>bold italics</i>.</p>
<p>Physician Services Related to Out of Network Inpatient Care</p> <p>If a participant is admitted to an out-of-network facility by either an in network or an out-of-network physician, the plan will pay <i>90% of R&C</i> up to \$85 per physician visit, limited to two visits per week with a maximum of 52 visits per calendar year, after the deductible is met.</p>	<p>If a participant is admitted to an out-of-network facility by an <i>out-of-network</i> physician, the plan will pay <i>90% of R&C</i> up to \$85 per physician visit, limited to two visits per week with a maximum of 52 visits per calendar year, after the deductible is met.</p> <p>If a participant is admitted to an out-of-network facility by an <i>in network</i> physician, <i>the plan will pay benefits of 90% of covered charges per physician visit</i> after the deductible is met.</p>
<p>Example: 5 day IP Hospital Stay (Assumes \$200 deductible has been met)</p> <p>Out-of-Network Provider</p> <ul style="list-style-type: none"> • Day 1 – Initial visit charge is \$300; Benefit pays \$85; Member responsible for \$215. • Day 2 – Subsequent visit charge is \$200; Benefit pays \$85; Member is responsible for \$115. • Days 3-5 – Subsequent visit charges of \$200/day; Benefit pays \$0 (2 day per week limit); Member responsible for \$600 • Total Member Responsibility \$930 <p>In-Network Provider</p> <ul style="list-style-type: none"> • Day 1 – Initial visit charge is \$135; Benefit pays \$85; Member responsible for \$50. • Day 2 – Subsequent visit charge is \$85; Benefit pays \$76.50; Member is responsible for \$8.50. • Days 3-5 – Subsequent visit charges of \$85/day; Benefit pays \$0 (2 day per week limit); Member responsible for \$255 • Total Member Responsibility \$313.50 	<p>Example 5 day IP Hospital Stay (Assumes \$200 deductible has been met)</p> <p>Out-of-Network Provider</p> <ul style="list-style-type: none"> • Day 1 – Initial visit charge is \$300; Benefit pays \$85; Member responsible for \$215. • Day 2 – Subsequent visit charge is \$200; Benefit pays \$85; Member is responsible for \$115. • Days 3-5 – Subsequent visit charges of \$200/day; Benefit pays \$0 (2 day per week limit); Member responsible for \$600 • Total Member Responsibility \$930 <p>In-Network Provider</p> <ul style="list-style-type: none"> • Day 1 – Initial visit charge is \$135; Benefit pays \$121.50; Member responsible for \$13.50. • Day 2 -5 – Subsequent visit charge is \$85; Benefit pays \$76.50/day or \$306 total; Member is responsible for \$8.50/day or \$34.00. • Total Member Responsibility \$47.5