



# LISI CARRIERS' BROKER BONUS PROGRAMS

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# Aetna

## Small Group

### Small Group Broker Rewards Program: California

Get ready to earn more. It's simple. Just sell Aetna new business plans to groups in California with 1-100 eligible employees. When you do, you'll receive a reward.

#### How it works:

For case effective dates, starting January 1, 2020 through December 31, 2020, you can earn:

- \$50 for each new enrolled employee.
- Sell 75 or more total enrolled employees, and receive \$100 per enrolled employee

Applies to new business medical sales only. Groups must have 1-100 eligible employees rated Rewards are paid approximately 60 days after end of program.

#### Program Rules

- Eligibility is limited to producers selling to California accounts (cases with 1-100 eligible employees). New business sales only, renewals do not qualify.
- Payment must be submitted under one tax identification number(TIN) to qualify. Aetna will not split payments from multiple brokers or tax IDs.
- Payments will be made approximately 60 days after end of the program period. Producer must be the active broker of record at the time of payment. Cases for which the New Business Credit will be paid must be active at the time of payment.
- Must be licensed and appointed (in California) with Aetna and have an in-force producer agreement.
- Broker of record losses/gains or segment transfers are not eligible toward your bonus under this incentive program. Aetna reports will be the only bases used for the contest. Aetna reserves the right to change or discontinue this program at any time.
- General agents are not eligible.
- This material is for informational purposes only. This material does not constitute a contract.
- This program is offered at the sole discretion of Aetna and can be terminated or modified by Aetna at any time and without notice. Any subsequent program is at the discretion of Aetna.
- Application of programs and determinations of eligibility and payment amounts, if any, will be made by Aetna at their sole discretion. Decisions made by Aetna will be final.
- Eligibility is contingent upon the producers advance written disclosure to customers of the nature of the compensation the producer may be entitled to receive from Aetna. More disclosure requirements are available@ [aetna.com/insurance-provider.html](http://aetna.com/insurance-provider.html).
- Programs outlined are not charged to the customer's experience-rated contracts, but will be disclosed in accordance with Aetna's Producer Compensation Disclosure policy.
- The producer doesn't need to be compensated under the base compensation program for a case to qualify. For example, the producer may receive a consulting fee, service fee or commission payment. The relationship between the producer and plan sponsor must be documented to Aetna satisfaction.
- Company records determine producers eligibility and final results. Awards will be considered income and fully taxable.

# Anthem Blue Cross

## Small Group

### Specialty Broker Bonus

You can earn up to \$25,000 per line of coverage for each group when you sell new dental, vision, life, disability, accident, critical illness and hospital indemnity accounts with effective dates between February 1, 2020, and January 31, 2021.<sup>1</sup> Get additional bonuses for retaining existing business with us.

#### New business bonus

Here's what you need to do to qualify for the new business bonus:

- Bring in a minimum of 10 new lines of coverage and \$75,000 in new annualized premium.<sup>2</sup> If you bring in more than \$250,000 in new annualized premium, we'll waive the line of coverage requirement.
- There are five levels of payout you can meet, so the more new specialty lines you sell, the higher your bonus payout will be.

NUMBER OF NEW COMBINED LINES OF COVERAGE (LOC) AND/OR MINIMUM ANNUALIZED NEW PREMIUM FOR DENTAL FULLY INSURED, LIFE, DISABILITY, ACCIDENT, CRITICAL ILLNESS AND HOSPITAL INDEMNITY	BONUS ON NEW ANNUALIZED PREMIUM <sup>2</sup>
10 LOC and \$75,000	1.0%
20 LOC and \$250,000	2.0%
30 LOC and \$750,000	2.5%
40 LOC and \$1,500,000	3.0%
50+ LOC and \$3,000,000	4.0%

The bonus per new ASO dental contract is \$1.20, and the bonus per new ASO vision contract is \$1.00.<sup>2</sup>

#### Retention bonus

To be eligible for the Specialty retention bonus, you'll need to:

- Achieve the new business bonus.
- Have at least 10 lines of coverage and \$100,000 in annualized premium for dental fully insured, life, disability, accident, critical illness and hospital indemnity at the beginning of the bonus period.
- Have a minimum of 87% premium persistency.

PREMIUM RETENTION PERCENTAGE	BONUS RETENTION PERCENTAGE PAYOUT (EXCLUDING ASO DENTAL AND ASO VISION)
87% to 89.99%	0.75%
90% to 94.99%	1.00%
95%+	1.50%

The contract payout per ASO dental retention is \$1.20, and the contract payout per ASO vision retention is \$1.00.<sup>3</sup>

<sup>1</sup> Accident, critical illness and hospital indemnity have a combined \$25,000 cap per group. Accident, critical illness and hospital indemnity are available pending state approvals. Please check with your Anthem Specialty representative.

<sup>2</sup> Must first sell the minimum of 10 new LOC and \$75,000 in new annualized premium (only fully insured dental, life, disability, accident, critical illness and hospital indemnity count toward the LOC/premium requirement). This minimum requirement is waived if you sell more than \$250,000 in new annualized premium. For fully insured dental groups, we will apply the full premium amount toward qualification. However, payment on any eligible fully insured dental and/or fully insured vision premium will be at 75% of face value, subject to all applicable payment caps. No payment for dental ASO, vision ASO or vision fully insured if you do not meet the minimum qualifications. No payment for dental or vision products embedded in the medical product.

<sup>3</sup> Only fully insured dental, life, disability, accident, critical illness and hospital indemnity count toward the LOC/premium requirement. However, payment on any eligible fully insured dental and/or fully insured vision premium will be at 75% of face value, subject to all applicable payment caps. No payment for dental ASO or vision ASO or vision fully insured if you do not meet the minimum qualifications. No payment for dental or vision products embedded in the medical product.

## The Fine Print

- **Qualifying business:** New lines of coverage with effective dates from February 1, 2020, through January 31, 2021, are eligible for inclusion. All lines of coverage for the new business and persistency level bonuses must be in force on January 31, 2021, to be counted.
- **New coverages:** New life, disability, accident, critical illness, hospital indemnity and fully insured dental lines of coverage added to existing groups in the qualifying period will be considered as a new line of coverage under the Specialty New Business Bonus program. Organic growth, an increase in coverage/face amount or a change from embedded to non-embedded coverage is not considered a new line of coverage. Acquisitions or adding new divisions to an account will be reviewed on an exception basis.
- **Contract:** Each subscriber constitutes a contract.
- **New business annualized premium:** Annualized premium means 12 times the first month's paid premium (or estimated first month's premium, where necessary) for qualifying new business.
- **Persistency calculation:** Persistency is measured by taking annualized paid premium in force on January 31, 2021, excluding new sales from February 1, 2020, through January 31, 2021, and dividing by annualized paid premium in force on January 31, 2020.
- **Eligible lines of coverage:** Short-term disability, long-term disability, voluntary short-term disability, voluntary long-term disability, life, voluntary group term life (stand-alone), fully insured dental, voluntary dental, vision, voluntary vision, accident, critical illness and hospital indemnity. (AD&D, dependent life and supplemental life coverage are not included in the line of coverage requirement count; however, the premium will be included in all compensation calculations. ASO dental and ASO/fully insured vision are not included in the line of coverage requirement count; however, the contracts/premium will be included in all compensation calculations. No compensation will be paid for dental or vision products embedded in the medical product.)
- **Fully insured dental and fully insured vision:** For fully insured dental groups, we will apply the full premium amount toward qualification. However, payment on any eligible fully insured dental and/or fully insured vision premium will be at 75% of face value, subject to all applicable payment caps. LOC/group maximum: There is a \$25,000 per line of coverage per group cap. Accident, critical illness and hospital indemnity have a combined \$25,000 cap per group.
- **Exclusions:** Bonus includes only groups for which Anthem Blue Cross (Anthem) is paying commissions. Groups sold by a consultant (e.g., acting on behalf of the group) are not eligible for bonus. General agents are also not eligible for the bonus.
- **Bonus splits:** Producer bonus payments on producer splits will only be paid to a producer with at least 50% of the commission percentage on a given group, and any such bonus payment on said groups will follow the percent commission received by each producer on such group.
- **Mergers, acquisitions and divestitures:** Anthem Specialty reserves the right to change or amend this program as the result of any producer mergers, acquisitions or divestitures where the producer's book of business changes by the lessor of: (1) \$3 million in annualized premium or (2) 10% of inforce block prior to the merger/acquisition/divestiture. Producer is required to notify Anthem Specialty of any such mergers, acquisitions or divestitures within 60 days of the completion of such transactions.
- **Producer of record (POR):** Producer of record changes will not be held in the original producer's book of business. On groups where Anthem processed a producer of record change, Anthem Specialty will move the group into or out of the producer of record's book of business, as applicable, for bonus purposes, including the beginning and ending premium calculations and subscriber counts. Any subsequent changes, including termination of policy, will be the responsibility of the new producer of record. If termination of the policy is coincident with a POR change, Anthem reserves the right to determine which party (producer or other entity) will be charged with the termination. This determination will be based on a variety of factors, including (but not limited to): reason for POR, work done by parties to move/conservate the policy and overall case situation.
- **Trusts/associations/MEWAs/pooled groups/any other types of special purchasing arrangements:** These will be treated as recorded on Anthem's systems at its sole discretion for purposes of the calculation and payment of any compensation under this bonus program. This will include the application of any line of coverage caps and other program limitations.
- **Lapses:** Group lapses will be assigned to the most recent producer for bonus purposes.
- **Payment:** Bonuses will be paid by June 30, 2021, following the close of the applicable bonus period. If upon receipt of a bonus payment the producer identifies an error in the bonus calculation or amount, the producer must notify Anthem in writing within 60 days of receipt of the bonus payment. Anthem Specialty will review any such error identified by the producer only for the applicable bonus period for which the bonus was paid and determine whether any adjustment is appropriate. Anthem Specialty reserves the right to make any such determinations or adjustments, but in no event shall make any adjustments involving less than \$500.
- **Anthem retains final authority to interpret, amend, change or terminate this program.** This brochure serves as a summary overview, and Anthem, at its sole discretion, will make final decisions on the application of the above parameters.

## Specialty 2020 New Business Bonus

Anthem Blue Cross is offering a Specialty 2020 New Business Bonus for 2-500 enrolled employees beginning with July 1, 2020 effective dates. This bonus is in addition to existing standard bonus programs. The "per enrolled contract" referenced in table means per subscriber. [View the Flyer](#)

WHEN GROUP ADDS	PER ENROLLED CONTRACT YOU'LL EARN
Dental	\$6.00
Vision	\$2.00
Life	\$1.00
Long-Term Disability	\$1.00
Short-Term Disability	\$1.00

## Small Group 6% Commission Bonus for All Agents

Power up your small group sales and earn big with the Anthem Blue Cross agent commission program! Anthem is offering a 6% commission for the life of the case when you sell any new small group medical case with 10+ enrolled employees for July 1, 2020 to January 15, 2021 effective dates. [View the Flyer](#)

This enhanced commission opportunity is available to all agents and is in addition to any award you receive under Anthem Blue Cross bonus programs!

## 7% Commission to All Agents in December

Anthem Blue Cross is offering a 7% commission to all agents who submit new business with 10+ enrolled employees in December 2020 (December 1, 2020 and December 15, 2020 effective dates).

# Anthem Blue Cross

## Large Group

### Drive for 25 Bonus Program

You can earn a one-time bonus of \$25 per member on any medical case written in Anthem Blue Cross's pooled product offering - effective July 1, 2020 to January 31, 2021. Earn an extra \$5 for every HMO member and an extra \$20 for every Vivity, Select, and Priority Select member. These incentive payouts are in addition to any award you receive under other Anthem bonus programs! [Drive for 25 flyer](#)

- Earn \$25 for every PPO member
- Earn \$30 for every traditional and Select HMO member
- Earn \$50 for every Vivity and Priority Select member
- Earn \$4 for every dental member sold alongside Anthem's pooled segment medical products

To be eligible for the Drive for \$25 promo, you must opt-in by e-mailing [anthembonusprogram@anthem.com](mailto:anthembonusprogram@anthem.com).

# Blue Shield

## Small Group

### Sell More, Earn More with Blue Shield of California's Medical Incentive Program (MIP)

Blue Shield of California is making it easier for you to earn more when you sell their small business medical products. No complicated tiers or calculations are required. View the [MIP Flyer](#)

YOU CAN EARN
\$25 per enrolled member when using the employer enrollment tool
\$50 per enrolled member on all medical plans
\$100 for each member who enrolls in a Trio HMO or Tandem PPO as part of the initial sale or during renewal.

Bonuses apply to groups beginning with September 2020 through January 2021 effective or renewal dates. All bonus payouts are in addition to the standard commission structure currently in place. Brokers associated with general agents are eligible for the bonus.

# Covered California for Small Business (CCSB)

## Small Group

### Broker Incentive Program - Extended

Earn even more for offering your clients California's most comprehensive access to doctors and hospitals. Now extended through January 2021.

2-4 SIZE GROUPS (AT LEAST 2 ENROLLED)	REWARD
6 - 15 enrolled	\$1,000
16 - 25 enrolled	\$2,000
26 - 50 enrolled	\$4,000
51 - 100 enrolled	\$8,000

#### Bonus details

- Applies to new CCSB groups with initial effective dates through 1/1/21.
- Subscriber count (i.e. Enrolled employee count) is determined at time of initial enrollment is counted in CCSB systems and is based on medical subscribers only. No retroactive additions will be eligible for incentive payment. Dependents of enrolled employees are not counted.
- Groups must satisfy standard CCSB binder payment requirements for enrolled employees to count towards incentive program payments.
- No pro-ration of target values will take place.
- Business written through partnering General Agencies qualifies.
- CCSB intends to issue incentive payments 90 days following the effective date of a qualifying group. CCSB may modify the payment schedule at any time.
- Program open to all agents who maintain active certification with Covered California.
- Bonus payments are in addition to regular sales commissions. Bonus payments will be reported on Forms 1099 and 5500 and as otherwise required by law, including reporting required by California AB 2589.
- Agents shall disclose to their client all commissions and other payments made to them by CCSB in compliance with all legal requirements.
- CCSB may cancel or modify this incentive program at any time without prior notice to the Agencies and Agents participating in the program. CCSB shall not be liable for payment of any incentive payments after cancellation of the program.

# Health Net

## Small Group

### Broker Bonus, Q3-Q4 2020

For any effective date through December 31, 2020, brokers will receive a \$50 bonus for each new member. That means for a family of four = \$200, family of five = \$250. There's no limit!

View the [Savings Flyer](#)



# Humana

Small Group

## Agent Bonus, August-December 2020

Sell a bundle, earn a bundle! To earn a bonus, place new specialty lines of coverage with the same employer and initial effective dates of coverage between August 1 and December 31, 2020:

2-4 SIZE GROUPS (AT LEAST 2 ENROLLED)	REWARD	5-99 SIZE GROUPS (AT LEAST 5 ENROLLED)	REWARD
Dental + Vision	\$250	Dental + Vision	\$750
Dental + Vision + Life	\$400	Dental + Vision + Life	\$1,250

- Place stand-alone specialty lines of coverage, OR
- Add specialty lines of coverage to a new or existing Humana group medical customer

### PROVISIONS BELOW APPLY TO ALL BONUSES DESCRIBED IN THIS FLYER:

- This bonus will be paid to the Agent of Record within 60 calendar days after the end of the initial effective month of all business.
- The number of subscribers in the dental line of coverage will be used to determine if the minimum case size requirement has been met.
- Placed Humana group dental coverage plus additional specialty lines of coverage must have the same initial effective date of coverage.
- Bonus offerings are subject to current product availability by state.
- All lines of coverage are subject to availability by case size and underwriting approval.
- Specialty Lines of Coverage are: Group term life (including AD&D), group term supplemental life (including AD&D), group vision (including voluntary vision) and group dental (including voluntary dental).
- Under applicable law, agents may be required to disclose to the insured or applicant their compensation including base commissions, bonuses, incentives, or other forms of remuneration for which the agent is eligible for the sale or renewal of insurance products.
- The bonus offering(s) in this document are "Promotional Bonuses" as described in the Appendix to the Producer Partnership Plan (PPP). Please refer to the General Policies for Humana's Promotional Bonuses in the Appendix to the PPP for more information.
- Only Group plans for which base commissions are being charged to the customer and the Agent of Record is receiving base commissions are considered Eligible Cases.
- Individual agents or agencies may be obligated to disclose compensation to clients. Because state laws vary, agents should be aware of and comply with applicable state compensation disclosure requirements. Humana is not responsible for providing legal advice to agents. If an agent has a question or concern regarding his/her state's compensation disclosure law, he/she should consult a legal advisor.

# Kaiser Permanente

All Group Sizes

## Group Production Reward 2020

Receive a one-time \$1,000 reward for the first 25 new members when you enroll new groups with effective dates of January 1, 2020, through December 31, 2020. Plus you'll get \$25 for every additional member enrolled after the first 25.

Enrolled subscribers and each dependent count as members. New group sales made directly with Kaiser Permanente, through CaliforniaChoice, Covered California for Small Business, or General Agencies are eligible for this reward. This reward is a one-time payment for new group member sales only and it's not limited to employees.

- Rewards for all eligible new sales will be paid by Kaiser Permanente.
- Groups that leave or break away from exchanges (e.g., CaliforniaChoice and Covered California), associations, trust funds, unions, or professional employer organizations and select Kaiser Permanente as the sole carrier aren't eligible for the Group Production reward program.

### Rewards rules and conditions

- Participating brokers must be in good standing and appointed by Kaiser Permanente with a current signed Kaiser Permanente broker agreement and current license on file as of the group's or member's effective date.
- Brokers and consultants shall disclose to their clients all commissions and other payments made to them by Kaiser Permanente and Kaiser Permanente Insurance Company in compliance with all legal requirements.
- Bonuses and rewards are in addition to your regular sales commission and will be reported on Forms 1099 and 5500, and as otherwise required by law, including reporting required by California AB 2589.
- To receive bonus and reward payments, you must be the broker of record on the effective date the group qualifies for the reward.
- The maximum reward payment for any single group is \$50,000 for all rewards combined.
- Groups split among brokers for commission purposes will be considered split for group rewards at the same ratio as commissions.
- For group rewards, new members are those who have the same effective date as the date the group qualifies for the reward.
- For eligible sales not made directly with Kaiser Permanente, reporting from the participating agency may delay reward payments.
- Bonus and reward programs are subject to change at any time.





### Total Replacement Reward 2020

You'll learn a one-time reward when you establish Kaiser Permanente as the sole carrier for your new or renewing groups with effective dates of January 1, 2020, through December 31, 2020. The Total Replacement reward is only available for each qualifying total replacement group sale made directly with Kaiser Permanente. Sales not made directly with Kaiser Permanente are not eligible for this reward.

To qualify for Total Replacement rewards, Kaiser Permanente must be the only employer-sponsored group health plan for all eligible subscribers for the employer's locations in California.

#### New Groups

# OF SUBSCRIBERS	REWARD
10 - 19 enrolled	\$1,000
20 - 29 enrolled	\$2,000
30 - 39 enrolled	\$3,000
40 - 49 enrolled	\$4,000

# OF SUBSCRIBERS	REWARD
50 - 199 enrolled	\$5,000
200 - 499 enrolled	\$7,500
500+ enrolled	\$10,000

- Groups with Kaiser Permanente membership that leave or break away from exchanges (e.g., CaliforniaChoice and Covered California), associations, trust funds, unions, or professional employer organizations and select Kaiser Permanente as the sole carrier are not eligible for the Total Replacement reward program.
- A Total Replacement reward will only be paid once for a group. Under specific circumstances, there are a few exceptions when a Total Replacement reward may be payable more than once on a given group policyholder:
  - The employer group terminates their group policy with Kaiser Permanente and later adds Kaiser Permanente coverage with a Total Replacement after a minimum of two years.
  - A Total Replacement group adds another health plan and becomes slice. The slice carrier is subsequently replaced by Kaiser Permanente and the group becomes a Total Replacement after a minimum of two years has elapsed. The Total Replacement reward payout would be based on the existing business reward scale applicable at that point in time.
- If a group terminates within 90 days of its effective date, the Total Replacement reward will be rescinded.

#### Existing Groups

# OF ADDITIONAL SUBSCRIBERS	REWARD
5 - 9 enrolled	\$500
10 - 19 enrolled	\$1,000
20 - 29 enrolled	\$2,000
30 - 39 enrolled	\$3,000

# OF ADDITIONAL SUBSCRIBERS	REWARD
40 - 49 enrolled	\$4,000
50 - 199 enrolled	\$5,000
200 - 499 enrolled	\$7,500
500+ enrolled	\$10,000

- The Total Replacement reward for existing groups is based on the additional Kaiser Permanente subscribers (net increase) added to Kaiser Permanente coverage.
- Solely moving any individual plan subscriber to the employer group-sponsored plan does not qualify them as an eligible subscriber for Total Replacement purposes.

#### Rewards rules and conditions

- Participating brokers must be in good standing and appointed by Kaiser Permanente with a current signed Kaiser Permanente broker agreement and current license on file as of the group's or member's effective date.
- Brokers and consultants shall disclose to their clients all commissions and other payments made to them by Kaiser Permanente and Kaiser Permanente Insurance Company in compliance with all legal requirements.
- Bonuses and rewards are in addition to your regular sales commission and will be reported on Forms 1099 and 5500, and as otherwise required by law, including reporting required by California AB 2589.
- To receive bonus and reward payments, you must be the broker of record on the effective date the group qualifies for the reward.
- The maximum reward payment for any single group is \$50,000 for all rewards combined.
- Groups split among brokers for commission purposes will be considered split for group rewards at the same ratio as commissions.
- For group rewards, new members are those who have the same effective date as the date the group qualifies for the reward.
- For eligible sales not made directly with Kaiser Permanente, reporting from the participating agency may delay reward payments.
- Bonus and reward programs are subject to change at any time.

# UnitedHealthcare

## Small Group & Key Accounts

### New Sales Bonus, 2020

UnitedHealthcare is offering a bonus to agents in California who sell new medical plans with effective dates from March 1, 2020 through February 28, 2021. Eligible cases are new fully insured Small Group and Key Account groups located in California that have at least 10 enrolled employees and effective dates from March 1, 2020 through February 28, 2021. Only agents permanently located in California are eligible for the bonus. The maximum bonus for an eligible group (or collection of affiliated groups) is \$50,000.

Eligible agents will receive a bonus based on the number of enrolled employees in the eligible medical group. The bonus amounts for Harmony and Canopy Health medical coverages are higher than that of other medical coverages.

ENROLLED EMPLOYEES IN AN ELIGIBLE GROUP	BONUS FOR EACH MEMBER ENROLLED FOR MEDICAL COVERAGE (EXCEPT HARMONY AND CANOPY HEALTH COVERAGE)*	BONUS FOR EACH MEMBER ENROLLED FOR HARMONY AND CANOPY HEALTH COVERAGE*
10 to 49 enrolled employees	\$25	\$100
50 or more enrolled employees	\$50	\$100

\* Up to the \$50,000 maximum bonus for any eligible case or group of affiliated cases.

**Higher Bonus for Harmony and Canopy Health Coverage:** In groups where employees may choose different networks and medical coverages, the higher bonus amount is paid only on members covered by Harmony and Canopy Health medical coverage.

**Bonus Example:** An eligible agent sells two eligible medical cases and earns a bonus of \$14,750 calculated as follows:

TOTAL ENROLLED EMPLOYEES	MEMBERS IN MEDICAL COVERAGE (EXCEPT HARMONY/CANOPY)	MEMBERS IN HARMONY AND CANOPY COVERAGE	BONUS CALCULATION
Group A—25 enrolled employees	10	20	10 members at \$25 = \$250; 20 members at \$100 = \$2,000; Total = \$2,250
Group B—160 enrolled employees	150	50	150 members at \$50 = \$7,500; 50 members at \$100 = \$5,000; Total = \$12,500
			<b>TOTAL BONUS = \$14,750</b>

#### Program Details:

- Only Agents of Record permanently located in California are eligible for this program.
- This bonus program applies only to medical groups that:
  - Are new fully insured Small Group and Key Account medical groups;
  - Are located in California;
  - Have at least 10 employees enrolled for medical coverage; and
  - Have effective dates with UnitedHealthcare from March 1, 2020 through February 28, 2021.
- The maximum bonus for any eligible case or group of affiliated cases is \$50,000.
- All sold business must be active and the selling agent must remain the Agent of Record on February 28, 2021 to be included in the bonus calculations.
- Classification of a group as a Small Group or Key Account medical plan are determined by us considering a number of factors, including the enrollment at some point in time. Not all larger groups are classified as Key Account groups. We reserve the right to classify groups according to our rules, regardless of a group's actual enrollment at any time.
- The enrolled employee counts will be derived from the medical plan only, and will be based on the number of enrolled medical employees as of the group's effective date. UnitedHealthcare's determination of enrolled employee and member count is final.

*UnitedHealthcare, New Sales Bonus, 2020 (continued)*

- All bonus payments will be made to the agent or agency to which the commissions are paid. The bonus will be paid after the bonus period is over and when all information required for verification of enrollment data and calculation of the bonus is available.
- For dual or multiple broker arrangements, enrolled employee and member credit for payment calculations will be allocated in the same proportion as the commissions are split on the case. Fractional credits will be used in the calculation, and credits will not be rounded to the nearest integer.
- General Agents are not eligible for the bonus.
- Cases and members transferring into Small Group and Key Account medical groups from another UnitedHealth Group subsidiary, business segment, medical coverage, product or case size segment will not be considered new business for this bonus program. Agent of Record changes on existing UnitedHealthcare cases will not be credited as new business for this bonus program.
- Special rules apply to payment of bonuses for non-commissionable customers and customers referred to as "Governmental Entities" in the UnitedHealthcare Agent/Agency Agreement. We require written customer acknowledgment and approval before paying bonuses on all non-commissionable customers, and on commissionable governmental entity customers. Any limits on compensation in the RFP, RFI, bid specifications or other written instructions for governmental entities cannot be exceeded. Please refer to the Producer Compensation Policies and Practices in the Producer Performance Guide for more information.

All terms and conditions of the UnitedHealthcare Agent/Agency Agreement and the Producer Performance Guide apply to all compensation programs. This Bonus Program is offered at the sole discretion of UnitedHealthcare and can be terminated or modified by UnitedHealthcare at any time and without notice.

# UnitedHealthcare

## 2-3,000 Eligible

### Specialty Benefits New Business Bonus, 2020

You may earn a bonus for selling new group term life, group supplemental life, group dental, group short-term disability, group long-term disability, group vision, group critical illness, group accident and group hospital indemnity insurance for groups with 2 to 3,000 eligible employees and 5 or more enrolled employees as of January 2021. In order to receive this bonus, you must meet both of the following requirements:

- Sell at least 20 new lines of coverage having a combined minimum of \$100,000 in annualized premium and fees or 10 new lines of coverage having a combined minimum of \$750,000 in annualized premium and fees with effective dates from January 2, 2020 through January 1, 2021, and
- Have a net change percentage for your entire Specialty Benefits block of business from January 2020 through January 2021 of at least 100.0%.

If all of the bonus requirements are met, the bonus is calculated using the highest bonus percentage in the following table:

SPECIALTY BENEFITS NEW LINES OF COVERAGE AND ANNUALIZED PREMIUM*	BONUS PERCENTAGE
20 or more lines of coverage with a combined minimum of \$100,000 in annualized premium and fees, <b>OR</b> 10 or more lines of coverage with a combined minimum of \$750,000 in annualized premium and fees*	4%
25 or more lines of coverage with a combined minimum of \$200,000 in annualized premium and fees, <b>OR</b> 10 or more lines of coverage with a combined minimum of \$1,000,000 in annualized premium and fees*	5%
30 or more lines of coverage with a combined minimum of \$300,000 in annualized premium and fees, <b>OR</b> 10 or more lines of coverage with a combined minimum of \$1,500,000 in annualized premium and fees*	6%

\* \*In eligible lines of coverage with effective dates from January 2, 2020 through January 1, 2021. Annualized premium and fees for bonus qualification is equal to the January 2021 premium and fees of eligible cases multiplied by 12.

Both employer-paid and employee-paid lines of coverage sold with medical coverage or on a stand-alone basis are included in the bonus program. The maximum Specialty Benefits new business bonus paid on any line of coverage within any 1 case or affiliated cases is \$20,000.

**Bonus adjustment for Specialty Benefits net change percentage:** Our Specialty Benefits new business bonus requires a minimum net change in premium for your book of Specialty Benefits lines of coverage with 2 to 3,000 eligible employees and 5 or more enrolled employees from January 2, 2020 through January 1, 2021. To receive a new business bonus, your January 2021 Specialty Benefits premium and fees must be at least 100.0% of the premium and fees that we received for your Specialty Benefits lines of coverage for January 2020. The Specialty Benefits net change percentage in premium and fees is calculated by dividing the premium and fees received for all of your Specialty Benefits lines of coverage in January 2021 by the premium and fees received for all of your Specialty Benefits lines of coverage in January 2020. The net change percentage is rounded to the nearest one-tenth of 1 percent. Specialty Benefits lines of coverage that do not meet our general bonus eligibility requirements will be excluded from the net change calculation. If the Specialty Benefits net change percentage is less than 100%, no bonus will be paid.

#### Specialty Benefits New Business Bonus Details.

- You must sell at least 20 eligible lines of coverage with original effective dates from January 2, 2020 through January 1, 2021 having a combined minimum of \$100,000 in annualized premium and fees (or alternatively, 10 new lines of coverage having a combined minimum annualized premium and fees of \$750,000), and have a Specialty Benefits net change percentage of 100.0%, in order to qualify for the Specialty Benefits new business bonus. The Specialty Benefits new business bonus is paid on annualized premium and fees for lines of coverage that had original effective dates from January 2, 2020 through January 1, 2021, are active on January 1, 2021 and meet all other eligibility requirements.
- Annualized premium and fees for this bonus are defined as the January 2021 premium and fees of the eligible line of coverage multiplied by 12. The bonus payment is based on the annualized premium and fees.
- The maximum Specialty Benefits new business bonus paid on any line of coverage within any 1 case or affiliated cases is \$20,000. In situations where commissions on the case are split between more than 1 Agent of Record, the maximum bonus limit will be applied before the bonus is allocated to the Agents of Record.

*UnitedHealthcare, Specialty Benefits New Business Bonus, 2020 (continued)*

- An eligible line of coverage for the Specialty Benefits new business bonus is group term life, group supplemental life, group dental, group short-term disability, group long-term disability, group vision, group critical illness, group accident and group hospital indemnity insurance in a group with 2 to 3,000 eligible employees and 5 or more enrolled employees in January 2021, that has an original effective date from January 2, 2020 through January 1, 2021. An eligible line of coverage must meet all of UnitedHealthcare's general bonus eligibility requirements. An eligible line of coverage can be sold with medical coverage or on a stand-alone basis. Both employer-paid and employee-paid lines of coverage are eligible for the bonus.
- An eligible line of coverage must be in an eligible group. Spectera Plan Administrators Private Label vision, Family Medical Leave (FML) administration plans and some Governmental Entity cases are not eligible for any bonus programs. Groups written through Affiliated Associations of America (AAOA), embedded dental or vision benefits, dental discount cards or state statutory disability plans are not eligible for this bonus. Dental groups administered through UMR/Fiserv that use a dental network other than the UnitedHealthcare Dental network are not eligible for this bonus. UnitedHealthcare has sole discretion in determining whether a line of coverage is eligible for any bonus program. The lines of coverage, premium and fees of ineligible cases are not included toward the minimum line of coverage requirements, the premium and fee requirements, or any other requirements or calculations related to any Specialty Benefits bonus. Lines of coverage counts and premiums and fees for affiliated groups are combined for all bonus calculations.
- For dual or multiple broker arrangements, line of coverage credit and premium or fee credit will be allocated in the same proportion as the commissions are split on the line of coverage. Fractional credits will be used in the calculation, and credits will not be rounded to the nearest integer.
- Special rules apply to payment of bonuses for non-commissionable customers. We require written customer acknowledgment and approval before paying bonuses on all non-commissionable customers, and on commissionable governmental entities.
- An agent or agency can only qualify for 1 Specialty Benefits new business bonus. The lines of coverage sold and minimum annualized premium and fees within any row must both be met to qualify for a row in the bonus table. The bonus will be paid at the highest bonus percentage where both the lines of coverage and annualized premium and fees criteria are met. If an agent meets the qualifications in more than 1 row in the table, only the bonus for the row paying the highest bonus amount will be paid.

**Specialty Benefits new business bonus calculation examples:** The Specialty Benefits new business bonus is calculated by totaling the eligible lines of coverage and the annualized premium and fees for those eligible lines of coverage to determine the bonus tier from the Specialty Benefits new business bonus payment table. The Specialty Benefits net change percentage is then calculated to determine if the agency qualifies for the Specialty Benefits new business bonus.

[View Producer Performance Guide for examples](#)



### Specialty Benefits Retention Bonus, 2020

You may earn a bonus for renewing group term life, group supplemental life, group dental, group short-term disability, group long-term disability, group vision, group critical illness, group accident and group hospital indemnity insurance for groups with 2 to 3,000 eligible employees and 5 or more enrolled employees in January 2021 and having renewal dates from January 2, 2020 through January 1, 2021.

In order to receive a Specialty Benefits retention bonus, you must meet all of the following requirements:

- Qualify for the UnitedHealthcare 2020 Specialty Benefits new business bonus.
- Have at least 25 lines of coverage having a combined minimum of \$750,000 in received premium and fees that have renewal dates from January 2, 2020 through January 1, 2021, and
- Have a Specialty Benefits premium retention percentage at least 85.0% in Specialty Benefits lines of coverage with renewal dates from January 2, 2020 through January 1, 2021.

If all of the bonus requirements are met, the Specialty Benefits retention bonus is paid according to the following table:

SPECIALTY BENEFITS PREMIUM RETENTION PERCENTAGE	BONUS ON RECEIVED PREMIUMS AND FEES*
85.0% to 89.99%	2%
90.0% to 94.99%	3%
95.0% or greater	4%
Less than 85.0%	No bonus

\* *In eligible lines of coverage with renewal dates from 1/2/20 through 1/1/21. Bonus is paid only on the premium and fees received on renewing lines of coverage during the period from February 2020 through January 2021.*

Both employer-paid and employee-paid cases sold with medical coverage or on a stand-alone basis are included in the bonus program. The maximum Specialty Benefits retention bonus paid on any line of coverage within any one case or affiliated cases is \$20,000.

**Specialty Benefits premium retention percentage:** You are required to have a premium retention percentage of at least 85.0% in order to receive a Specialty Benefits retention bonus. The Specialty Benefits premium retention percentage is the January 2021 premium and fees received for lines of coverage that have renewal dates from January 2, 2020 through January 1, 2021, divided by the January 2020 premium and fees received for lines of coverage that have renewal dates from January 2, 2020 through January 1, 2021. The Specialty Benefits premium retention percentage calculation includes only lines of coverage that have renewal or termination dates from January 2, 2020 through January 1, 2021.

#### Specialty Benefits Retention Bonus Details

- To qualify for the Specialty Benefits retention bonus you must;
  - Qualify for the UnitedHealthcare 2020 Specialty Benefits new business bonus.
  - Have at least 25 lines of coverage having a combined minimum of \$750,000 in received premium and fees with renewal dates from January 2, 2020 through January 1, 2021.
  - Have a Specialty Benefits premium retention percentage at least 85.0% in Specialty Benefits lines of coverage with renewal dates from January 2, 2020 through January 1, 2021.
- The maximum Specialty Benefits retention bonus paid on any line of coverage within any 1 case or affiliated cases is \$20,000. In situations where commissions on the case are split between more than 1 Agent of Record, the maximum bonus limit will be applied before the bonus is allocated to the Agents of Record.
- An eligible line of coverage for the Specialty Benefits retention bonus is group term life, group supplemental life, group dental, group short-term disability, group long-term disability, group vision, group critical illness, group accident and group hospital indemnity insurance covering a group with 2 to 3,000 eligible employees and 5 or more enrolled employees that has a renewal date from January 2, 2020 through January 1, 2021. An eligible line of coverage must also meet all of UnitedHealthcare's general bonus eligibility requirements. An eligible line of coverage can be associated with medical coverage or exist on a stand-alone basis. Both employer-paid and employee-paid lines of coverage are eligible for this bonus.
- "Received premium and fees" are the premium and fees received by UnitedHealthcare for eligible Specialty Benefits lines of coverage for the months of February 2020 through January 2021. The Specialty Benefits retention bonus is paid on received premium and fees for eligible lines of coverage that are active on January 1, 2021, and meet all other general bonus eligibility requirements. For purposes of this bonus, the "renewal date" for groups with rate guarantees longer than 1 year will be the 12-month anniversary of their original effective date or their last renewal.



*UnitedHealthcare, Specialty Benefits Retention Bonus, 2020 (continued)*

- For the Specialty Benefits retention bonus, "Premium retention percentage" is the January 2021 premium and fees received for lines of coverage eligible for the 2020 Specialty Benefits retention bonus divided by the January 2020 premium and fees received for lines of coverage eligible for the 2020 Specialty Benefits retention bonus.
- An eligible line of coverage must be in an eligible group. Spectera Plan Administrators Private Label vision, Family Medical Leave (FML) administration plans and some Governmental Entity cases are not eligible for any bonus programs. Groups written through Affiliated Associations of America (AAOA), embedded dental or vision benefits, dental discount cards or state statutory disability plans are not eligible for this bonus. Dental groups administered through UMR/Fiserv that use a dental network other than the UnitedHealthcare Dental network are not eligible for this bonus. UnitedHealthcare has sole discretion in determining whether a line of coverage is eligible for any bonus program. The lines of coverage, premium and fees of ineligible cases are not included toward the minimum line of coverage requirements, the premium and fee requirements, or any other requirements or calculations related to any Specialty Benefits bonus. Lines of coverage counts and premiums and fees for affiliated groups are combined for all bonus calculations.
- For dual or multiple broker arrangements, line of coverage credit and premium or fee credit will be allocated in the same proportion as the commissions are split on the case. Fractional credits will be used in the calculation, and credits will not be rounded to the nearest integer.
- Special rules apply to payment of bonuses for non-commissionable customers. We require written customer acknowledgment and approval before paying bonuses on all non-commissionable customers, and on commissionable governmental entities."

**Specialty Benefits retention bonus calculation:** If all the qualifying criteria for the Specialty Benefits retention bonus are met, the bonus is calculated as follows:

Specialty Benefits retention bonus calculation example: An agency qualifies for a Specialty Benefits new business bonus by writing 21 new coverages with annualized premium and fees in eligible products of \$160,000. In addition:

- The agency had a net change percentage of at least 100% in the Specialty Benefits new business bonus calculation.
- The agency had 25 eligible lines of coverage on January 1, 2021 with renewal dates from January 2, 2020 through January 1, 2021.
- The total premium and fees received for these 25 lines of coverage for the period from February 2020 through January 2021 was \$770,000.
- The January 2020 premium and fees received for eligible lines of coverage was \$65,000, and the January 2021 premium and fees received for eligible lines of coverage was \$63,375.

**Step 1.** Calculate the premium retention percentage: The agency's premium retention percentage is \$63,375 (the January 2021 premium and fees received for eligible lines of coverage) divided by \$65,000 (the January 2020 premium and fees received for eligible lines of coverage), or 97.5%.

**Step 2.** Determine the Specialty Benefits retention bonus percentage: Referring to the bonus table, we find that a premium retention percentage of 97.5% earns a bonus of 4% of received premium and fees.

**Step 3.** Calculate the Specialty Benefits retention bonus amount: The bonus payable is 4% of the total premium and fees received for the eligible lines of coverage for the period from February 2020 through January 2021, which is \$770,000. The bonus is 4% times the total premium and fees received for these 25 lines of coverage for the period from February 2020 through January 2021. The calculation is 4% of \$770,000, or \$30,800.

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