

Health New England 2022 Broker Compensation Disclosure Tool

Standard Commission & Bonus Programs
for Commercial and Group Medicare Sales

Effective January 1, 2022

COMMERCIAL SALES

GROUP MEDICARE SALES

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Commercial Sales Compensation

This resource has been provided to your benefits advisor (broker) to clarify how Health New England will compensate them for new and renewing business placed in 2022.

How Brokers Receive Compensation: Commissions and Bonuses

- Commissions are paid to brokers monthly for the sale of new business and renewal of existing business.
- Bonuses are paid annually to recognize brokers for the achievement of specific goals.

Disclaimer: Health New England reserves the right to amend the Compensation Schedule and will provide broker with updates accordingly.

Please reference the following pages to learn more.

Commercial Sales Monthly Commission

Small Group

For accounts with **50 or Fewer Full-Time Equivalents**

New and Existing Business	
Group Size (number of enrolled subscribers)	Commission Rate (per enrolled subscriber per month)
1	\$10
2–4	\$15
5–19	\$25
20–50	\$28

Large Group

For accounts with **More Than 50 Full-Time Equivalents**

New Business	
Received Premium Amount	Commission Rate
First \$1 million	4%
Thereafter	1.5%
Existing Business	
Received Premium Amount	Commission Rate
First \$1 million	3.5%
Thereafter	1.5%

Commercial Sales Bonus Programs

New Business* and Retention** bonus payments for the current year are paid in April of the following year.

Standard Program

249 or Fewer Subscribers

(total of new and renewed subscribers)

New Business

Bonus Payment (per new subscriber)

\$50

Retention

Threshold (of renewed subscribers)	Bonus Payment (per renewed subscriber)
93% to less than 96%	\$25
96% to less than 99%	\$50
99% and greater	\$75

President's Program

250 – 699 Subscribers

(total of new and renewed subscribers)

New Business

Bonus Payment (per new subscriber)

\$100

Retention

Threshold (of renewed subscribers)	Bonus Payment (per renewed subscriber)
93% to less than 96%	\$25
96% to less than 99%	\$50
99% and greater	\$75

Chairman's Program

700 or More Subscribers

(total of new and renewed subscribers)

New Business

Bonus Payment (per new subscriber)

\$125

Retention

Threshold (of renewed subscribers)	Bonus Payment (per renewed subscriber)
93% to less than 96%	\$25
96% to less than 99%	\$50
99% and greater	\$75

*New business bonus eligibility requires a minimum of three new groups with five or more subscribers, with a total of at least 30 new subscribers. In addition, we offer a Supplemental Broker New Business Incentive Program with bonus payouts on new fully insured and self-insured business sold within a specified period. Bonus amounts range from \$750 to \$15,000 based on number of new enrolled subscribers.

**Retention bonus eligibility requires a minimum of three renewed groups with five or more subscribers, with a total of at least 100 renewed subscribers.

Group Medicare Sales Compensation

This resource has been provided to your benefits advisor (broker) to clarify how Health New England will compensate them for new and renewing business placed in 2022.

How Brokers Receive Compensation

- Commissions for new business are paid to brokers monthly.
- Commissions for renewal of existing business are paid to brokers annually.

Disclaimer: Health New England shall act in accordance with Centers for Medicare & Medicaid Services (CMS) requirements and notifications regarding broker compensation. Broker must be contracted and appointed to receive Medicare commissions. Health New England reserves the right to amend the Compensation Schedule and will provide broker with updates accordingly.

Please reference information below to learn more.

Employer Group Waiver Plan (EGWP): Medicare Advantage

The compensation structure in this Section shall apply to the sale of EGWP Medicare Advantage Products and conforms to CMS requirements. Commissions shall be paid at fair market value as set by CMS directly to licensed and appointed broker. Health New England will not pay retroactive commissions for any reason beyond twelve (12) months. Commissions shall be at the following rates:

EGWP Medicare Advantage Plan 2022

For Commissions earned and payable in Calendar Year 2022

New Enrollee

Commission Earned

\$573 (per subscriber)

Renewal

Commission Earned

\$287 (per subscriber)

Rapid Disenrollment: Broker shall maintain a "Rapid Disenrollment" rate of no more than ten percent (10%) for each calendar year throughout the term of this Agreement. For purposes of this provision, "Rapid Disenrollment" means the voluntary disenrollment of a Member from a Medicare Advantage Plan on or before three (3) calendar months after the Member's initial enrollment effective date; provided, however, when a Member enrolls in an Medicare Advantage Plan effective October 1, November 1, or December 1, and subsequently changes plans effective January 1 of the following year, this is not considered a Rapid Disenrollment. Disenrollments for all Health New England Plans marketed and promoted by broker are reported to Health New England by CMS on the "Monthly Membership Reconciliation" (MMR) file. If the Rapid Disenrollment rate exceeds ten percent (10%) for any calendar year and Health New England determines broker to be responsible, Health New England may retrain broker and/or remove broker from the Plan appointment with Health New England.

Group Medicare Supplement

The compensation structure in this Section shall apply to the sale of Group Medicare Supplement Products. Health New England will not pay retroactive commissions for any reason beyond twelve (12) months. The following rates for Calendar Year 2022 are set by Health New England and are subject to change at any time:

Group Medicare Supplement Plan 2022

For Commissions earned and payable in Calendar Year 2022

New Enrollee

Commission Earned

\$250 (per subscriber)

Renewal

Commission Earned

\$205 (per subscriber)