

# 2018 Specialty Bonus program

**Big payouts are once again at stake with our 2018 Specialty Bonus program.** You can earn up to \$50,000 per case when you sell new dental, vision, life and disability accounts with effective dates between February 1, 2018, and January 31, 2019. Get additional bonuses for retaining your existing business with us. And best of all, both your small and large group business count toward this program. Here's how it works:

## New business bonus:

- To qualify for the life and disability new business bonus, all you need to do is bring in a minimum of six new lines of coverage **and** \$10,000 in new annualized premium. If you bring in more than \$250,000 in new annualized premium, we will waive the line of coverage requirement.
- To qualify for the dental and vision new business bonus, all you need to do is bring in a minimum of four new fully insured dental cases **and** 60 fully insured dental contracts. If you bring in more than 400 new fully insured dental contracts, we will waive the line of coverage requirement.
- There are five levels of payout that you can meet, so the more new specialty lines you sell, the higher your bonus payout will be.

## Life and disability new business bonus

Number of new life and disability lines of coverage and/or minimum new annualized premium	Bonus on new annualized premium <sup>1</sup>
6 LOC and \$10,000	2.0%
9 LOC or \$250,000	3.0%
12 LOC or \$400,000	3.5%
15 LOC or \$1,000,000	4.0%
18 LOC or \$2,000,000	5.0%

<sup>1</sup> Must first sell the minimum of six new LOC and \$10,000 in new annualized premium. This minimum requirement is waived if you sell \$250,000 in annualized premium.



Health · Pharmacy · Dental · Vision · Life · Disability

## Dental and vision new business bonus

Number of new fully insured (FI) dental cases sold and/or minimum new FI dental contracts sold	Bonus per FI dental contract	Bonus per dental ASO contract <sup>2</sup>	Bonus per vision contract <sup>2</sup>
4 cases and 60 FI dental contracts	\$10.00	\$1.50	\$1.00
6 cases or 400 FI dental contracts	\$15.00	\$1.50	\$1.00
9 cases or 600 FI dental contracts	\$20.00	\$1.50	\$1.00
12 cases or 800 FI dental contracts	\$25.00	\$1.50	\$1.00
15 cases or 1,000 FI dental contracts	\$30.00	\$1.50	\$1.00

<sup>2</sup> Must first sell the minimum of four new fully insured dental cases and 60 fully insured dental contracts. This minimum requirement is waived if you sell 400 fully insured dental contracts. No payment for dental ASO or vision if you do not meet the minimum fully insured dental qualifications. No payment for dental or vision products embedded in the medical product.

## Specialty retention bonus

To be eligible for the Specialty retention bonus, you must:

- Qualify for the new business bonus.
- Have at least five lines of coverage and \$50,000 in annualized premium for life and disability at the beginning of the bonus period and achieve the life and disability new business bonus to qualify for the life and disability retention bonus.
- Have five fully insured cases and 80 fully insured dental contracts in force at the beginning of the bonus period, achieve new business bonus in dental ASO, dental FI, and vision to qualify for the dental and vision retention bonus in each respective line of business.
- Have a minimum of 85% persistency.

## Specialty retention bonus

Premium/contracts retention percentage	Life and disability bonus retention percentage payout	Dental FI per contract payout	Dental ASO per contract payout <sup>3</sup>	Vision per contract payout <sup>3</sup>
85% to 89.99%	0.75%	\$4.00	\$0.75	\$0.50
90% to 94.99%	1.0%	\$8.00	\$0.75	\$0.50
95%+	1.5%	\$12.00	\$0.75	\$0.50

<sup>3</sup> No payment for dental ASO or vision if you do not meet the minimum fully insured dental qualifications. No payment for dental or vision products embedded in the medical product.

## Cross-sell bonus

If you qualify for both the dental new business bonus **and** the life **and** disability new business bonus, you will earn an **additional 5%** on your total calculated bonus.

### Definitions and miscellaneous information:

- **Qualifying business:** New lines of coverage/fully insured dental cases with effective dates from February 1, 2018, through January 31, 2019, are eligible for inclusion. All lines of coverage/cases for the life and disability, dental and vision new business, and persistency level bonuses must be in force on January 31, 2019, to be counted.
- **New coverages:** New life, disability and fully insured dental lines of coverage/cases added to existing groups in the qualifying period will be considered as a new line of coverage/case 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/case. (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 billed premium (or estimated first month's premium where necessary) for qualifying new business.
- **Persistency calculation:** Persistency is measured by taking annualized premium or contracts in force on January 31, 2019, excluding new sales from February 1, 2018, through January 31, 2019, and dividing by annualized premium or contracts in force on January 31, 2018.
- **Eligible lines of coverage:** Short-term disability, long-term disability, voluntary short-term disability, voluntary long-term life, disability, voluntary group term life (stand-alone), fully insured dental, voluntary dental, vision and voluntary vision. (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 vision are not included in the line of coverage requirement count; however, the contracts will be included in all compensation calculations. No compensation will be paid for dental or vision products embedded in the medical product.)

- **Group maximum:** Case cap of \$50,000 per case/group.
- **Exclusions:** Bonus includes only group cases on which Anthem Blue Cross (Anthem) is paying commissions. Group cases 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:** Bonus splits are easily accommodated as they follow the percent of commission received by each producer/broker on a case.
- **Agent of Record:** Agent of Record changes will not be held in the original Broker's book of business. On Groups where Anthem processed an Agent of Record change, Anthem Specialty will move the group into the new Agent of Record's book of business for bonus purposes, including the beginning and ending subscriber counts.
- **Lapses:** Group lapses will be assigned to the most recent broker for bonus purposes.
- **Payment frequency:** The life and disability, dental and vision new business bonus, and persistency bonus will be paid by June 30, 2019, following the close of the applicable bonus period. In the event of a potential error, broker must notify Anthem of the error in writing within 12 months of the bonus payment date.

Cases and premium counted under this bonus program will not qualify for any other Anthem Specialty Bonus program.

Compensation under this program will be reported where required under federal and/or state law. Anthem reserves the right to make all rules and determinations regarding the bonus program, and may modify or eliminate the program at any time without notice. For more detailed information on the bonus program, please contact your Anthem Sales representative.