

## 2012 Personal Producing Agent Commission Schedule Effective January 1, 2012 through December 31, 2012

This schedule is applicable to Medicare Advantage (MA), Medicare Advantage Prescription Drug (MA-PD) and Prescription Drug (Part D) plans that are underwritten by Anthem Blue Cross and Blue Shield (Anthem) and sold in select counties within Colorado, Nevada, Virginia, Indiana, Kentucky, Ohio, Missouri, Wisconsin, New Hampshire, Maine and Connecticut.

### Medicare Advantage and Part D Prescription Drug Plans

Product (where available)	Commission - Initial	Renewal Commission – Yr 2 Through Year 10
Anthem Medicare Preferred Standard PPO (MAPD)	\$402	\$201
Anthem Medicare Preferred Select PPO (MAPD)	\$402	\$201
Anthem Medicare Preferred Core PPO (MAPD)	\$402	\$201
Anthem Medicare Preferred Premier PPO (MAPD)	\$402	\$201
Anthem Senior Advantage Basic HMO (MAPD)	\$402	\$201
Anthem Senior Advantage Value HMO (MAPD)	\$402	\$201
Anthem Senior Advantage Plus HMO (MAPD)	\$402	\$201
Anthem Senior Advantage Complete HMO (MAPD)	\$402	\$201
SureValue Basic HMO (MAPD)	\$402	\$201
MediBlue Value HMO (MAPD)	\$453	\$227
Anthem MediBlue Preferred Standard (PPO)	\$453	\$227
Blue Medicare Access Standard RPPO (MAPD)	\$402	\$201
Blue Medicare Access Classic RPPO (MA-Only)	\$402	\$201
Blue Medicare Access Value RPPO (MAPD)	\$402	\$201
Product (where available)	Commission - Initial	Renewal - Commission Through Year 6
All standalone Part D plans (Prescription Drug Plans)	\$53	\$27

Producing Agents who newly enroll a beneficiary in an Anthem MA, MA-PD or PDP plan, with an effective date of 1/1/2012 through 12/31/2012, will be paid a lump sum amount following the enrollment of the beneficiary into an Anthem plan. The lump sum amount will be equal to the annual commission rate based on whether the business qualifies as 'Initial' or 'Renewal' business. The commissions paid after the first twelve (12) months will be "as earned" on a monthly basis. Commission payment intervals are subject to change at the Company's discretion.

#### **General:**

- This commission schedule applies to Medicare Advantage (MA), Medicare Advantage-Prescription Drug (MA-PD) and Medicare Part D (PDP) enrollments beginning with effective dates of January 01, 2012 and ending December 31, 2012
- Producing Agent must remain in Good Standing with Anthem to receive initial *and* renewal commissions. Good Standing is defined as maintaining an active sales license, being appointed by the company, and completing annual certification and product training for Anthem Medicare Advantage and Part D plans with a passing score of 90% or better.

- Producing Agent agrees and understands that all commissions are paid at the renewal rate until CMS notifies Anthem that an enrolled beneficiary is verified as an initial “new” member. Remaining compensation will be paid after CMS verification is sent to Anthem
- The 6 year compensation cycle begins when the beneficiary initially enrolled into the MA, MA-PD or PDP plan. According to CMS guideline, compensation is regulated through year six (6). Anthem will pay renewal commissions through year 10.
- Initial compensation is paid for new enrollments into MA or PDP plans as well as enrollments into different plan types which includes enrolling from:
  - An MA or MA-PD to a PDP
  - A PDP to an MA or MA-PD
  - A Cost Plan to an MA or MA-PD or PDP
- Renewal compensation as defined by CMS is equal to fifty percent (50%) of the initial compensation amount (see commission grid above) and is paid after a beneficiary’s initial year of enrollment in a plan. It is also paid when a beneficiary enrolls in a different plan of “like plan type” following the initial year of enrollment. A “like plan type” refers to moves from:
  - A PDP to another PDP or
  - An MA or MA-PD to another MA or MA-PD

Note: For dual enrollments (e.g., in an MA-only plan and a standalone PDP), the compensation rules apply independently to each plan. However, when dual enrollments are replaced by an enrollment in a single plan, compensation is paid based on the MA movement (e.g., movement from an MA-only and PDP to an MAPD would be compensated at the initial compensation amount for the MA to MA-PD “like plan type” move.)

- Anthem is required to recover all commission payments when a beneficiary disenrolls from our plans within the first three months, or ninety days, of enrollment. In addition, the first twelve (12) months of commissions are paid in a lump sum. Thus, if a beneficiary disenrolls after ninety days, all ‘unearned’ commissions are recovered. Notwithstanding the foregoing, Anthem will not recover funds, but will pay only for the actual months the Member is enrolled in the plan when disenrollment within the first three (3) months is due to the fact that the Member is entitled to a special election period (SEP) for the following circumstances: (1) Disenrollment from Part D due to having other creditable coverage or from being institutionalized (2) Member gains/drops employer/union sponsored coverage (3) Because of a CMS sanction against Anthem or a termination of Anthem’s contract with CMS (4) During the Medigap trial period (5) In order to coordinate with Part D enrollment periods or with an SPAP (6) Member has a change in status by (a) becoming dually eligible for both Medicare and Medicaid (b) qualifying for another plan base upon special needs or a chronic condition (c) becoming LIS eligible or (d) moves into or out of an institution; (7) Due to an auto-or facilitated enrollment (8) Member is involuntarily disenrolled due to (a) death (b) moving out of the service area (c) non-payment of premium (d) loss of entitlement (e) retroactive notice of Medicare entitlement or (f) contract violation.
- Producing Agent is responsible to understand and comply with all CMS requirements in regards to Sales and Marketing to include all sales materials and to remain informed on all rules and regulations provided to them by Anthem, in regards to the Medicare Advantage Plans and Part D Plans.
- Notwithstanding the terms set forth in this Commission Schedule, at all times the compensation to Producing Agent will be in compliance with CMS regulations and/or guidance and with any other laws relating to the marketing and/or sale of Medicare Advantage and/or Part D products. This schedule is subject to change based on regulatory requirements.

BL MA-D combo PPA CommSch 09-11

*Anthem Blue Cross and Blue Shield is the trade name of: In Colorado and Nevada: Rocky Mountain Hospital and Medical Service, Inc. In Connecticut: Anthem Health Plans, Inc. In Indiana: Anthem Insurance Companies, Inc. In Kentucky: Anthem Health Plans of Kentucky, Inc. In Maine: Anthem Health Plans of Maine, Inc. In Missouri (excluding 30 counties in the Kansas City area): RightCHOICE® Managed Care, Inc. (RIT), Healthy Alliance® Life Insurance Company (HALIC), and HMO Missouri, Inc. RIT and certain affiliates administer non-HMO benefits underwritten by HALIC and HMO benefits underwritten by HMO Missouri, Inc. RIT and certain affiliates only provide*

*administrative services for self-funded plans and do not underwrite benefits. In New Hampshire: Anthem Health Plans of New Hampshire, Inc. In Ohio: Community Insurance Company. In Virginia (excluding the City of Fairfax, the Town of Vienna and the area east of State Route 123.): Anthem Health Plans of Virginia, Inc. In Wisconsin: Blue Cross Blue Shield of Wisconsin ("BCBSWi"), which underwrites or administers the PPO and indemnity policies; Compcare Health Services Insurance Corporation ("Compcare"), which underwrites or administers the HMO policies; and Compcare and BCBSWi collectively, which underwrite or administer the POS policies. Independent licensees of the Blue Cross and Blue Shield Association. ® ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross and Blue Shield names and symbols are registered marks of the Blue Cross and Blue Shield Association.*

IA\_M0013\_10\_024 09/24/2011