



Empire 
BLUECROSS BLUESHIELD

An Anthem Company

The Whole Health Company

2020 Empire BlueCross BlueShield Large Group (101+) Bonus Program

2020 Empire Broker Bonus Programs

For selling and retaining Large Group business



Thank you for being a trusted partner

Your continued support is appreciated and valued. To help you understand and earn, we are providing important details about our various Large Group bonus programs.

New medical sales bonus for groups with 101 or more eligible employees:

1. Empire offers a bonus for new medical group sales with 101 or more eligible employees with an effective date in the 2020 calendar year.
2. The per-contract bonus payment amount is determined by the funding type of the cases and the number of new contracts. The bonus for fully insured new business is paid on the schedule outlined in table 1. The bonus for Empire Balanced Funding (EBF) and Minimum Premium Plan (MPP) new business is paid on the schedule outlined in table 1a. The bonus for administrative services only (ASO) local self-funded groups and jointly administered arrangements (JAA) new business is paid on the schedule outlined in table 2. The bonus for Group Retiree Solutions (GRS) new business is paid on the schedule outlined in table 3.
3. New specialty sales will increase the bonus payout by \$5 per contract for each line of business (vision, dental, life and disability) sold with medical, subject to the maximum bonus shown in the relevant table.
4. New specialty sales will increase the bonus payout by \$1 per contract for each line of business (critical illness, accident and hospital indemnity) sold with medical, subject to the maximum bonus shown in the relevant table.
5. HMO business is excluded.
6. Only groups where the broker is paid a commission by Empire will be counted for the new business portion of this bonus program. In subsequent years, those groups that were counted for the new business portion of the bonus program will be counted for eligibility under the persistency portion of the bonus program.
7. Adding a medical benefit to a specialty-only group will be counted as new business for the new business bonus program.
8. If a group previously had HMO business and converts to non-HMO business, the group will be included in the persistency calculation.
9. 2020 bonus payments will be paid by March 31, 2021.

Table 1. Fully Insured bonus

Schedule #	Per contract bonus
N-1	\$60

- The broker bonus for each case equals the per-contract bonus times the applicable count of fully insured contracts.
- The bonus in table 1 for each case will be capped at \$125,000, including the bonuses for finalist meetings and specialty lines of business.
- A finalist meeting is defined as Empire at a meeting presenting on our proposal.
- To be paid the bonus, the finalist meeting must result in a sale, and each case will be capped at \$10,000.
- If Empire is brought to a finalist meeting and the group is sold, \$5 will be added to the per-contract bonus.
- Broker will be paid an additional \$5 per contract for every new specialty line sold with medical (vision, dental, life and disability).
- Broker will be paid an additional \$1 per contract for every new specialty line sold with medical (critical illness, accident and hospital indemnity).
- Bonus program excludes student health plan groups.

Table 1a. Empire Balanced Funding/Minimum Premium Plan

Schedule #	Per contract bonus
N-1	\$30

- The broker bonus for each case equals the per-contract bonus times the applicable count of EBF/MPP contracts.
- The bonus in table 1a for each case will be capped at \$125,000, including the bonuses for finalist meetings and specialty lines of business.
- A finalist meeting is defined as Empire at a meeting presenting on our proposal.
- To be paid the bonus, the finalist meeting must result in a sale, and each case will be capped at \$10,000.
- If Empire is brought to a finalist meeting and the group is sold, \$5 will be added to the per-contract bonus.
- Broker will be paid an additional \$5 per contract for every new specialty line sold with medical (vision, dental, life and disability).
- Broker will be paid an additional \$1 per contract for every new specialty line sold with medical (critical illness, accident and hospital indemnity).
- Bonus program excludes student health plan groups.

Table 2. Administrative services only/jointly administered arrangement bonus

Schedule #	Per contract bonus if stop loss and Rx included	Per contract bonus with either stop loss or Rx	Per contract bonus without stop loss and Rx
A-1	\$10	\$6	\$5
A-1U	\$5	N/A	N/A

- The broker bonus for each case equals the per-contract bonus times the applicable/weighted count of administrative services only (ASO)/jointly administered arrangement (JAA).
- Schedule A-1U pertains to stop loss upsold to an existing client.
- The total ASO/JAA bonus for each case will be capped at \$30,000, including the bonuses for finalist meetings and specialty lines of business.
- The finalist meeting is defined as Empire at a meeting presenting on our proposal.
- To be paid the bonus, the finalist meeting must result in a sale, and each case will be capped at \$10,000.
- If Empire is brought to a finalist meeting and the group is sold, \$5 will be added to the per-contract bonus, excluding JAA business.
- Broker will be paid an additional \$5 per contract for every new specialty line sold with medical (dental, vision, life and disability).
- Broker will be paid an additional \$1 per contract for every new specialty line sold with medical (critical illness, accident and hospital indemnity).
- Bonus program excludes student health plan groups.

Table 3. Group Retiree Solutions bonus (Medicare Advantage group coverage — excludes Part D)

Schedule #	Minimum GRS cases	Per contract bonus
G-1	1	\$20
GC-1	1	\$5

- Schedule GC-1 pertains to sales resulting from conversion of membership from an active group to a GRS group.

New sales examples (for illustrative purposes only)

Broker A

New medical business	Fully insured	EBF/MPP	ASO	ASO w/Rx or stop loss	ASO with Rx and stop loss
New enrolled contracts	175	0	0	0	0
Per-contract bonus earned	\$60	\$0	\$0	\$0	\$0

Specialty bonus	Dental	Vision	Life	Long-term disability and short-term disability	Critical illness	Accident	Hospital indemnity
New contracts sold with medical	78	45	15	138	0	100	0
Per-contract bonus earned	\$5	\$5	\$5	\$5	\$0	\$1	\$0

Broker A bonus payout

Bonus payout	Fully insured	EBF/MPP	ASO	Specialty	Total
Total bonus earned	\$10,500	\$0	\$0	\$1,480	\$11,980

Broker B

New medical business	Fully insured	EBF/MPP	ASO	ASO with Rx or stop loss	ASO with Rx and stop loss
New enrolled contracts	300	0	150	0	150
Per-contract bonus earned	\$60	\$0	\$5	\$0	\$10

Specialty bonus	Dental	Vision	Life	Long-term disability and short-term disability	Critical illness	Accident	Hospital indemnity
New contracts sold with medical	150	150	0	0	150	0	150
Per-contract bonus earned	\$5	\$5	\$0	\$0	\$1	\$0	\$1

Broker B bonus payout

Bonus payout	Fully insured	EBF/MPP	ASO	Specialty	Total
Total bonus earned	\$18,000	\$0	\$2,250	\$1,800	\$22,050

Persistence bonuses

Fully insured medical persistency bonus

- To be eligible for the fully insured persistency bonus, a broker must have a minimum of two non-HMO Large Group cases (fully insured, ASO, MPP or EBF, but excluding JAA) as of December 31, 2019, and sell at least one non-HMO Large Group case with a starting effective date in the 2020 calendar year.
- Persistency will be calculated as $\text{Renewed} / \text{Renewed} + \text{Lapses}$ for Fully Insured Funded groups. The bonus will be determined by multiplying the number of Fully Insured contracts as of 12/31/2020 by the per contract bonus amount in Table 4.

Table 4. Broker-insured persistency bonus

Schedule #	Minimum persistency by broker	Fully insured per-contract bonus
PI-1	92%	\$15
PI-2	95%	\$22
PI-3	100%	\$30

- Groups that change funding status during the bonus period will count toward the bonus of their funding type as of December 31, 2020. For example, if a group renews on July 1, 2020, and transitions from ASO to fully insured, their contracts will be counted toward the fully insured persistency bonus.
- The total persistency bonuses in table 4 will be capped at \$250,000 for each broker.

ASO-funded medical persistency bonus

- To be eligible for the alternate-funded persistency bonus, a broker must have a minimum of two non-HMO Large Group cases (fully insured, ASO, MPP or EBF, but excluding JAA) as of December 31, 2019, and sell at least one non-HMO Large Group case with a starting effective date in the 2020 calendar year.
- Persistency will be calculated as $\text{Renewed} / \text{Renewed} + \text{Lapses}$ for ASO Funded groups. The bonus will be determined by multiplying the number of ASO contracts as of 12/31/2020 by the per contract bonus amount in Table 5.

Table 5. Broker ASO-funded persistency bonus

Schedule #	Minimum persistency by broker	ASO with stop loss per contract	ASO without stop loss per contract
PI-1	95%	\$3	\$1
PI-2	97%	\$5	\$2
PI-3	100%	\$7	\$3

- Groups that change funding status during the bonus period will count toward the bonus of their funding type as of December 31, 2020. For example, if a group renews on July 1, 2020, and transitions from fully insured to ASO, their contracts will be counted toward the alternate-funded persistency bonus.
- The total persistency bonuses in table 5 will be capped at \$250,000 for each broker.

EBF/MPP medical persistency bonus

- To be eligible for the EBF/MPP persistency bonus, a broker must have a minimum of two non-HMO Large Group cases (fully insured, ASO, MPP or EBF, but excluding JAA) as of December 31, 2019, and sell at least one non-HMO Large Group case with a starting effective date in the 2020 calendar year.
- Persistency will be calculated as Renewed / Renewed + Lapses for EBF/MPP Funded groups. The bonus will be determined by multiplying the number of EBF/MPP contracts as of 12/31/2020 by the per contract bonus amount in Table 6.

Table 6. Broker EBF/MPP persistency bonus

Schedule #	Minimum persistency by broker	EBF/MPP per-contract bonus
PF-1	95%	\$7
PF-2	100%	\$12

- Groups that change funding status during the bonus period will count toward the bonus of their funding type as of December 31, 2020. For example, if a group renews on July 1, 2020, and transitions from fully insured to MPP, their contracts will be counted toward the EBF/MPP persistency bonus.
- The total persistency bonuses in table 6 will be capped at \$250,000 for each broker.

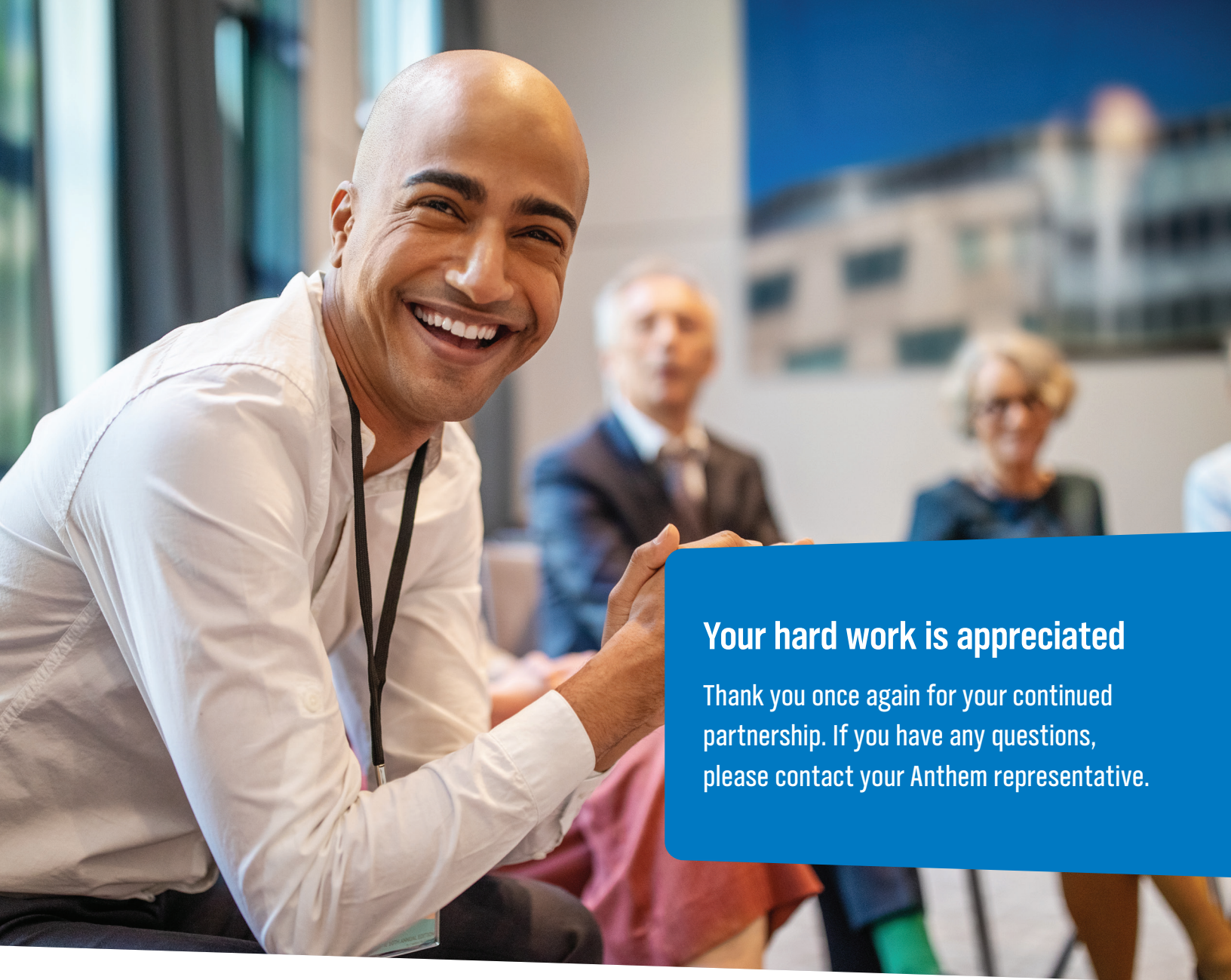
Persistency examples (for illustrative purposes only)

Broker A (assuming one new case sold in 2020)

	Renewed Contracts	Lapses	Persistency
Fully Insured	500	0	100%
ASO without stop loss	120	20	86%
ASO with stop loss	0	0	n/a
EBF/MPP	0	0	n/a
Bonus payout	Fully Insured	Alternate funded	EBF/MPP
Total per contract bonus earned	\$30	\$0	\$0
Total bonus earned	\$15,000	\$0	\$0

Broker B (assuming one new case sold in 2020)

	Renewed Contracts	Lapses	Persistency
Fully Insured	1,000	80	93%
ASO without stop loss	2,000	100	95%
ASO with stop loss	0	0	n/a
EBF/MPP	500	0	100%
Bonus payout	Fully Insured	Alternate funded	EBF/MPP
Total per contract bonus earned	\$15	\$1	\$12
Total bonus earned	\$15,000	\$2,000	\$6,000



Your hard work is appreciated

Thank you once again for your continued partnership. If you have any questions, please contact your Anthem representative.

Other eligibility requirements

1. Bonus payments will be calculated based upon the broker of record (BOR). Business written through a general agent will be eligible to be counted toward the broker's book of business for purposes of the bonus program, but no payments will be made to a general agent.
2. Groups transitioned from existing business but other market segment (excluding Small Group) will not be counted toward the bonus program.
 - Groups transitioned from existing Small Group (2 to 100) to Large Group (101+) and meeting the eligibility requirements defined will be counted toward the new bonus program. However, such transition won't be counted toward the eligibility requirement for the persistency portion of the bonus program.
3. BOR changes won't be counted toward the persistency portion of the bonus program. For example, if an Empire group transitioned from broker A to broker B, this group won't be counted for the bonus program. For new sales, the BOR at the time of the sale will be considered for the new business bonus.
4. Add-on (membership increases except for additional subdivisions) to existing business won't be eligible to be included in the new business bonus program.
5. Group must be in force at the time of calculation to be counted toward the bonus program.
6. Bonus plans only apply to eligible local groups insured or administered by Empire.
7. HMO products are excluded.
8. The bonus plan doesn't include business insured or administered by Empire's affiliates or to Anthem National Accounts business, even if it's insured or administered by Empire.
9. Jointly administered arrangement (JAA) plans are excluded from the persistency calculation. New JAA accounts will be considered for the new business bonus as long as they're brokered.
10. Growth in professional employer organization (PEO) groups won't be counted toward this bonus.
11. Empire reserves the right to review all groups submitted by brokers to determine their eligibility under this bonus program.
12. Any group that was counted for the new business portion of this bonus program in prior years will be counted for the persistency bonus calculation.



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Any references to “fully insured” in this brochure will exclude Minimum Premium Plan.

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