

2017 BROKER COMPENSATION SCHEDULE

Fully Insured Broker Commission Schedule and Bonus Program for Massachusetts

SMALL AND LARGE GROUP COMMISSION SCHEDULE

Small Group (1-50 FTE's)		
Group Size	New Business	Renewal
1-4 covered subscribers	\$20 per subscriber per month	\$10 per subscriber per month
5-25 covered subscribers	\$35 per subscriber per month	\$25 per subscriber per month
26-50 covered subscribers	\$45 per subscriber per month	\$35 per subscriber per month

Large Group (51 or More FTE's)		
	New Business	Renewal
All covered subscribers	5% of received premium	4% of received premium

ANNUAL BONUS PROGRAM - SMALL AND LARGE GROUP

Retention Bonus		
Eligibility Requirement	Threshold	Bonus Payment
Brokers must have a minimum of 50 group subscribers by December 2016	Subscriber retention of 90-95%	\$75 for every subscriber in existing accounts
	Subscriber retention greater than 95%	\$100 for every subscriber in existing accounts

New Business Bonus	
Threshold	Bonus Payment
Brokers must sell a minimum of 30 group subscribers in new accounts during the bonus year	\$100 for every new subscriber sold in New Accounts

All measurements will occur at year end using 12/31/2017 final membership. Bonuses will be calculated in March of 2018 and to be paid in April 2018.

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INDIVIDUAL COMMISSION SCHEDULE

	New	Renewal
Individual Non-Group	\$10 per subscriber per month	\$10 per subscriber per month

INDIVIDUAL BONUS PROGRAM

Threshold	Bonus Payment
Brokers must sell a minimum of 50 non-group subscribers during the bonus year. Subscribers must be active on 12/31/2017	\$100 for every new non-group subscriber sold during the bonus year

ADDITIONAL MINUTEMAN HEALTH COMMISSION & BONUS TERMS - 2017

1. All Broker of Record ("BOR") assignments and changes must be authorized by an officer of the client on the client's letterhead.
2. If Minuteman Health ("MHI") receives multiple BOR letters, only the most recent letter will be acknowledged.
3. For BOR/Agent of Record ("AOR") changes, MHI will recognize the effective the date indicated within the BOR/AOR letter. If the requested date within the BOR/AOR letter is any day other than the first of the month, the BOR/AOR change will be recognized effective the first of the following month.
4. MHI will not honor any requests to change BOR/AOR status beyond a period of 60 calendar days from the date requested. Any exception to this requires approval from MHI's VP of Sales.
5. All non-standard broker commission arrangements require full disclosure and sign-off with client along with the approval of Underwriting and the VP of Sales.
6. All group and Non Group commissions are paid up to the 1st renewal. Renewal commission is paid beginning the first renewal. Catastrophic membership is not eligible for monthly broker commission or bonus.
7. MHI will not pay retroactive commission or bonus beyond a period of 12 months.
8. For all Non Group members that are not set up with a BOR/AOR at the time of initial enrollment or for any subsequent BOR/AOR change, MHI will require a completed BOR/AOR form with the respective member's signature authorizing the BOR/AOR for purposes of broker compensation and member representation.
9. The MHI Broker commission and bonus plans are only eligible to those brokers who: Maintain a valid Producer's license in the states required, has a minimum of \$1 million in E&O insurance and is in good standing with MHI.

All measurements will occur at year end using 12/31/2017 final membership. Bonuses will be calculated in March of 2018 and to be paid in April 2018.

ADDITIONAL MINUTEMAN HEALTH COMMISSION & BONUS TERMS - 2017

10. Any acquisition or merger will be recognized on the first of the year following the actual acquisition or merger. Broker must provide proof of such acquisition or merger.
11. MHI reserves the right to change this compensation arrangement at any time.
12. This Compensation plan applies to only Fully Insured Business.
13. The NH MHI Non Group bonus plan applies to any new Non Group business the broker has sold throughout 2017.
14. The MA MHI Non Group bonus plan applies to any new Non Group membership that the broker has sold throughout 2017.
15. For new non group business enrolled into MHI after 1/1/17, MHI will prorate the bonus according to the number of member months the subscriber was actively enrolled. For example, if a broker qualifies for the Non Group bonus and a Non Group subscriber is enrolled 7/1/17 and is still active on 12/31/17, MHI will prorate the bonus for that subscriber at half the bonus rate.
16. Retention business is membership associated with existing accounts renewing with MHI.
17. A broker's retention group bonus is measured by comparing the total number of subscribers retained on existing accounts December 31, 2017 to the starting number of subscribers in existing accounts on December 31, 2016.
18. Brokers must have a minimum of 50 subscribers in existing group accounts on December 31, 2016 in order to be eligible for the 2017 MHI retention group bonus plan
19. Bonus for retention measurement purposes requires that the broker retains Broker of Record (BOR) status for the entire bonus year.
20. MHI's new business group bonus plan measures the total number of newly sold subscribers in new accounts throughout 2017 on 12/31/2017.
21. Brokers must sell at least 30 new subscribers in new accounts to be eligible for the New Business Group Bonus plan.
22. Bonus programs apply to a broker's book of business in the respective bonus year.
23. In order for a broker to receive credit for business renewed or sold, the business must be active on 12/31/2017.
24. Only members/groups that are commissionable count toward measurement and payment of any bonus plan.
25. Brokers who lose BOR/AOR, but the account remains with MHI through the end of the Bonus year, will be held harmless when measuring the Broker Bonus plans. The lost group will be excluded from the bonus calculation.
26. Non Group/Sole Prop business does not count toward either the Group retention bonus or the Group new business Bonus plans in NH. This business has its own Non Group/Sole Prop bonus plan.
27. Non Group business does not count toward either the group retention bonus or the group new business bonus plans. Non Group business has its own bonus plan.
28. For the group bonus plans, production for MA and NH business will be combined for purposes of measuring bonus qualification(s) and payment.
29. For example, 5 subscribers sold in NH and 27 subscribers sold in MA would be 32 subscribers sold in total and would pay out on 32 subscribers.