



2017 Producer Partnership Plan

Humana offers producers a comprehensive and competitive suite of compensation opportunities equaling the depth and quality of Humana's product offerings.



Humana[®]

Group Medical and Specialty Products

Table of contents

For Base Commission and Bonus Programs for the sale of Individual Medical, Specialty and Supplemental Insurance Products, review the Producer Partnership Plan Individual Medicare, Major Medical, Dental and Vision products in the secure Agent section of **Humana.com**, under “Pay and Bonuses.”

Additional information

| | |
|---|---|
| Using Humana’s online tools for compensation | 3 |
| Setting up or changing direct deposit information | 3 |
| Humana policy for “zero commission” or “fee-based” business | 3 |

Recognition

| | |
|----------------------------|-----|
| Leaders Club Program | 4-6 |
|----------------------------|-----|

Bonus programs

| | |
|---|-------|
| Introduction to Humana’s Bonus Programs | 7 |
| Medical Growth Bonus | 8-9 |
| Specialty Growth Bonus | 10-11 |

Base commissions

| | |
|---|----------|
| Group Medical and Go365™ | 12-19 |
| Group Specialty | 20-22 |
| Group Medicare | 23 |
| Minimum business production standards | Appendix |

General information

The rules and provisions provided in this 2017 Producer Partnership Plan (PPP) and the rules and provisions provided in the Appendix to the 2017 Producer Partnership Plan (Appendix) constitute the PPP in its entirety. The Appendix is part of the PPP. The term “Humana” in this PPP has the same meaning as the term “Company” as defined in the Humana Producer Contract (Contract). Except where otherwise noted, capitalized terms in this PPP are defined in the Contract and this 2017 PPP supersedes all prior producer partnership plans. Humana reserves the sole right to determine the resolution of any discrepancy between the PPP, Appendix and Contract.

Both the PPP and the Appendix may be accessed online at **Humana.com**, in the “Pay and Bonuses” section. Producers must sign in to access this section of the agent portal. Reference the Appendix for additional rules and provisions applicable to the compensation offerings detailed in this PPP, including base commissions, bonuses and recognition programs.

Under applicable state law, Producers may be required to fully disclose to the insured or applicant the programs under which they are eligible for compensation, including base commissions, bonuses, incentives or other forms of remuneration for the sale or renewal of insured products.

This PPP is the property of Humana. The Producer may view, copy and print the PPP for personal use only. The Producer may not otherwise use, reproduce, download, store, post, broadcast, transmit, modify, sell or make available to the public content from Humana’s PPP.

To sell Products, you must be contracted and appointed by Humana. Humana retains the sole discretion to authorize the Producer to solicit applications for any Products and not all Producers will be authorized to solicit applications for all Products, or to participate in the sale or distribution of any third-party products or products offered through other vendors. Humana reserves the right to decline contracting or appointing any individual or entity at its discretion. Contact your sales representative for more information on becoming a contracted and appointed Producer.

This PPP does not contain any rules, provisions or commission information related to the sale of Individual Medicare, Individual Major Medical, Individual Ancillary and Individual Supplemental Products, except those marketed as Workplace Voluntary Benefits. Those rules can be found in the 2017 Individual Medicare, Major Medical, Ancillary and Supplemental Product Producer Partnership Plan.

The provisions and commission schedules in the current or any prior Individual Medicare, Major Medical, Ancillary and Supplemental Product Producer Partnership Plan do not apply to Group Medical and Specialty Products.

What compensation tools does Humana offer to Producers online?

Humana offers multiple reports to Producers that show how they are performing in Humana's compensation programs. Through the secure section of the agent portal at **Humana.com**, Producers may view the following reports:

- Historical commission and bonus statements
- Preliminary bonus qualification for the next bonus payment for the Specialty Growth Bonus
- Year-to-date production applied to 2017 Leaders Club Program
- Commission Tier qualification for prior quarters
- Preliminary Commission Tier qualification for the next quarter

How do I notify Humana of my direct deposit information?

You can set up or change your direct deposit information in the secure section of **Humana.com** by navigating to the "Pay and Bonuses" section and clicking on the link titled "Add/Change Direct Deposit Information."

What is a Line of Coverage?

Each of the following is a Line of Coverage:

1. Group Medical
2. Group Term Life
3. Group Term Supplemental/Voluntary Life
4. Group Short-Term Disability
5. Group Vision (including Voluntary Vision)
6. Group Dental (including Voluntary Dental)
7. Employer-Paid Critical Illness
8. Workplace Voluntary Benefits

All of the above Lines of Coverage except Group Medical are Specialty Lines of Coverage.

What is a Case?

A Case is any number of the above Lines of Coverage in force with the same employer.

How "zero commission" or "fee-based" Cases credit toward PPP programs?

- **Leaders Club Program** — For fully insured Cases, only Lines of Coverage for which base commissions are both (a) being charged to the customer and (b) being paid to the Agent of Record are eligible. For self-funded Cases, only Lines of Coverage for which base commissions are charged to and paid from the plan's administration file are eligible for payment.
- **Medical Growth Bonus, Specialty Growth Bonus and any other forms of remuneration** — For fully insured Cases, only Lines of Coverage for which base commissions are both (a) being charged to the customer and (b) being paid to the Agent of Record are eligible for payment. For self-funded Cases, only Lines of Coverage for which base commissions are charged to and paid from the plan's administration file are eligible for payment. Lines of Coverage for which the Agent of Record is not receiving base commissions will count only toward qualification or attainment volume measurement requirements, including but not limited to Line of Coverage counts, subscriber counts and premium qualification levels.

Leaders Club Program

In 2017, you can not only earn Leader Points through new sales, but also by helping our customers get the most out of Go365!

1. Drive the highest percentage of Go365 engagement!

Humana will award one Leaders Club trip for two in 2018 to each of the top two Agents of Record with the highest percentages of “Silver or greater” attainment in Go365 participants in their respective blocks of Go365 business.

To qualify, you must have:

- At least 1,000 Go365 participants in effect on October 31, 2017, in plans for which you are recognized as Agent of Record by Humana; **and**
- The highest or second highest percentage of “Silver or greater” attainment among Agents of Record with 1,000 or more Go365 participants; **and**
- At least 50 percent “Silver or greater” attainment

Complete Official Rules are attached in the Appendix. Approximate retail value of a trip for two is \$7,500 (actual value may vary based on hotel and airfare at time of travel).

2. Sell more Workplace Voluntary Benefits plans!

Sell Workplace Voluntary Benefits totaling \$500,000 or more in new annualized premium as Agent of Record and earn a trip for two to the Leaders Club event to be held in 2018! Add a second trip for two by selling \$1,000,000 in annualized Workplace Voluntary Benefits premium and at least three new group customers.

- Any combination of Workplace Voluntary Benefits Policies and Certificates placed counts toward qualification
- Annualized premium is measured only on Workplace Voluntary Benefits policies and certificates with initial issue dates occurring in 2017

3. Or qualify the traditional way – by accumulating Leader Points! The more Leader Points you earn, the more you are awarded with the new reward levels for 2017.

- 2,300 Leader Points earns your choice of a variety of our fitness awards - Approximate retail value is \$290 - \$300
- 2,700 Leader Points earns your choice of an additional award, which includes travel packages and leisure and fitness merchandise. The travel packages include a 3-day, 2-night stay at your choice of selected hotels* - Approximate retail value is \$800-\$1,000.
- 3,000 Leader Points (just 300 more) adds 12 months of access to our exclusive Agent Concierge Unit!
- 3,500 Leader Points tops off the rewards with an invitation for the Leaders Club trip for two, to attend Humana’s 2018 Leaders Club event! Approximate retail value of a trip for two is \$7,500 (actual value may vary based on hotel and airfare at time of travel).
- 7,000 Leader Points adds a second invitation for two to Humana’s 2018 Leaders Club event! Approximate retail value of a trip for two is \$7,500 (actual value may vary based on hotel and airfare at time of travel.)

There is a limit of two 2018 Leaders Club event trips awarded to any Agent of Record, regardless of the method of qualification. Agents of Record earning two trips by WVB sales and/or by accumulation of Leader Points are not eligible to win the trip(s), awarded based on highest percentage of Go365 engagement.

Approximate retail values reflect information available at printing; actual retail values may vary at the time rewards are earned or awarded.

*Packages are valid for two travelers double occupancy for travel completed by April 30, 2018, or within one year of the date claimed, whichever is sooner. A Saturday night stay and a 45-day advance notice are required. Nights must be used consecutively. Travel is excluded December 15 – January 10. Subject to the availability at the hotel. Does not include any property imposed hotel fees.

| Do this! | And earn Leader Points |
|----------|--|
| Sell! | <p>Group Medical Sales (including fully insured, self-funded and Group Medicare)</p> <ol style="list-style-type: none"> 1. Earn 40 Leader Points for every new Group Medical Line of Coverage placed; and 2. Earn two Leader Points for each enrolled subscriber on each new Medical Line of Coverage. <ul style="list-style-type: none"> • A maximum of 500 total Leader Points may be earned on any new employer Medical plan placed |
| | <p>Specialty Sales (see complete listing of Qualifying Specialty Lines of Coverage on page 6)</p> <ol style="list-style-type: none"> 1. Earn 25 Leader Points for every new Qualifying Specialty Line of Coverage placed; and 2. Earn two Leader Points for every \$1,000 in annualized premium generated by each new Qualifying Specialty Line of Coverage. <ul style="list-style-type: none"> • A maximum of 500 total Leader Points may be earned on any new Specialty Line of Coverage placed per employer |
| | <p>Earn an additional 250 points per employer for placing one or more of these products with an employer of 100 or more full time employees!</p> <ul style="list-style-type: none"> • Go365 (when placed with an employer that does not have a Humana fully insured Medical plan) • Humana Wellness Solutions • Total Health |
| Engage! | <p>Earn up to 750 Leader Points by growing the number of Go365 participants in your block of business and increasing their levels of engagement in the Go365 program.</p> <ul style="list-style-type: none"> • Earn 10 Leader Points for each 1 percent of gain in your Go365 Engagement Growth Percentage (or 20 Leader Points for Agents of Record starting the year with at least 100 weighted credits) • Each 1 percent of loss in your Go365 Engagement Growth Percentage reduces your Leader Points earned from other activities by 10. |
| Partner! | <p>Get a head start on your 2017 Leaders Club campaign by earning Leader Points on your 2016 new sales with October, November and December initial effective dates of coverage! You'll receive full Leader Points credited toward your 2016 qualification and another 10 percent credited toward your 2017 qualification. Example: Place 10 new Medical Cases with 20 subscribers per plan with October, November or December, 2016 effective dates and earn 800 Leader Points for 2016, and another 80 for 2017. Earn more by placing additional lines of coverage!</p> |

- For the New Sales method, only new Medical and Qualifying Specialty Lines of Coverage placed with initial effective dates of coverage within the 2017 calendar year, and that remain in force as of December 31, 2017, qualify for Leaders Points.
- All Workplace Voluntary Benefits policies and certificates issued in 2017 will earn two Leader Points for every \$1,000 point earning method under Specialty Sales, regardless of the initial effective date of the Workplace Voluntary Benefits employer offering.
- Leaders Points are awarded based on the subscriber count and annualized premium as of the end of the initial effective month of coverage, but must remain in effect as of December 31, 2017.
- Leader Points earned are reduced by any applicable commission split on all Lines of Coverage placed except for Workplace Voluntary Benefits policies and certificates, which earn the Agent of Record full Leader Point credit regardless of the commission split.



Partner TIP In 2017, Leader Points are awarded for new sales ONLY when an electronic means of enrollment is used for the initial Case submission! Be sure to submit new Case enrollments via an electronic means whenever possible.

How are Leader Points calculated from the Go365 Engagement Percentage?

Leader Points are calculated from your Go365 Engagement Percentage in this manner:

1. As of December 31, 2017, count each of the Go365 participants (including dependents) in the Agent of Record's in force business and assign a weighted value to each participant, based on that participant's Go365 Reward Status as of that date, using the values in this table:

| Each participant at this Go365 Reward level... | generates this many weighted credits... |
|---|--|
| Blue | 0.25 |
| Bronze | 0.50 |
| Silver | 1.00 |
| Gold | 1.25 |
| Platinum | 1.50 |

2. As of December 31, 2016, perform the same count to determine the number of weighted credits the Agent of Record had at the beginning of the year.
3. Divide the count in #1 by the count in #2, to arrive at the Agent of Record's Engagement Growth Percentage.
4. Use the Engagement Growth Percentage to determine the number of Leader Points earned.

| If the Agent of Record started the year with... | ...and if the Engagement Growth Percentage achieved was... | ...then the Agent of Record earns... |
|--|---|--|
| At least 100 weighted credits | Greater than 100% | 20 Leader Points for each 1% in excess of 100%, up to 750 for the year |
| | Less than 100% | A 10-Leader Point deduction for each 1% less than 100% |
| Less than 100 weighted credits | Greater than 100% | 10 Leader Points for each 1% in excess of 100%, up to 750 for the year |
| | Less than 100% | A 10-Leader Point deduction for each 1% less than 100% |

Bonus programs

Agents of Record who grow and maintain Humana group business are eligible to earn additional compensation under our Medical Growth Bonus and Specialty Growth Bonus programs. Both bonus programs give you the opportunity to earn on new and existing group business.

What Cases are eligible for the bonus programs?

| Bonus | |
|------------------------|--|
| Medical Growth Bonus | Group Medical Lines of Coverage for which you are the Agent of Record and receiving base commissions, with one or more subscribers at the end of the calendar quarter. |
| Specialty Growth Bonus | Specialty Lines of Coverage for which you are Agent of Record and receiving base commissions, with two or more subscribers at the end of the applicable Bonus Period. |

Specialty Lines of Coverage eligible for inclusion in the Specialty Growth Bonuses are the Lines of Coverage listed in the “What is a Line of Coverage?” section, excluding Group Medical.

| | (REVISED) Medical Growth Bonus | Specialty Growth Bonus |
|-----------------------|--|---|
| How to qualify | <p>Small Business Opportunity: The Agent of Record must have at least 28 Small Group Medical Cases in force with at least 200 subscribers at the end of the calendar quarter.</p> <p>Large Group Opportunity: The Agent of Record must have at least four Large Group Medical Cases in force with at least 500 subscribers at the end of the calendar quarter.</p> | As the Agent of Record, place eight new Lines of Coverage during the bonus period and finish with 20 in force Lines of Coverage and 350 subscribers, OR place two new Lines of Coverage during the bonus period and finish with 10 in force Lines of Coverage and \$250,000 in Aggregate Premium. |
| Initial payment range | <p>Small Business Opportunity: \$1 - \$15 per Group Medical subscriber.</p> <p>Large Group Opportunity: \$1 - \$13 per fully insured Group Medical subscriber and \$1 - \$3 per self-funded Group Medical subscriber.</p> | 0.5-5 percent of paid Compensable Premium. |
| Modifying factors | Earn up to \$7 more per Group Medical subscriber when the subscriber achieves an “Activated” status in the Go365 program! | Earn up to 20 percent more for net growth in specialty subscribers. Net losses reduce or eliminate bonus payments. |
| Bonus periods | Payments based on in force Cases as of the last date of each calendar quarter, beginning on March 31, 2017. | Two six-month periods per year. |

What are Aggregate and Compensable Premium?

Aggregate Premium is the total premium and administration fees paid and posted to eligible Lines of Coverage during each bonus period, after applying the commission split percentage attributable to the Agent of Record, except for Workplace Voluntary Benefits business for which the commission split is not applicable. Compensable Premium is Aggregate Premium less any premium and fees attributable to Lines of Coverage with initial effective dates of coverage prior to Jan. 1, 2008 that are insured or administered by CompBenefits Insurance Company, Lines of Coverages for which Humana is not paying base commissions, and the portion of the premium split percentage not applicable to the Agent of Record for Workplace Voluntary Benefits.

Medical Growth Bonus

For Group Medical Cases of all sizes. The Medical Growth Bonus is paid quarterly, within 60 days following the last date of each calendar quarter. The first calendar quarter ends on March 31, 2017.



Partner TIP Every Medical subscriber in a Go365 “Activated” status (Bronze, Silver, Gold or Platinum) can add to your Medical Growth Bonus payment. The sooner that Medical subscribers achieve an “Activated” status, the sooner you can earn higher bonus payment rates. “Basic” rates apply to non activated subscribers.

How do I qualify for a Medical Growth Bonus and how much can I earn?

The Medical Growth Bonus now features two opportunities to earn. An Agent of Record can qualify for either or both opportunities.

Under the Medical Growth Bonus, Eligible Cases are those for which base commissions are being charged to the customer and the Agent of Record is receiving base commissions.

Small Business Opportunity:

An Agent of Record must have at least 28 Small Group* Medical Cases in force with at least 200 Medical subscribers in force in those Medical Cases on the last day of the calendar quarter. If these minimums are met, the Agent of Record is eligible to receive a bonus payment based on the number of subscribers enrolled in Eligible Cases on the last day of the calendar quarter.

| Small Group Case Count | Quarterly Bonus Payment per Small Group Medical Subscriber | |
|--------------------------------|--|-----------|
| | Basic | Activated |
| at least 28 but less than 31 | \$1 | \$3 |
| at least 31 but less than 34 | \$2 | \$4 |
| at least 34 but less than 39 | \$2 | \$5 |
| at least 39 but less than 45 | \$4 | \$6 |
| at least 45 but less than 55 | \$5 | \$8 |
| at least 55 but less than 65 | \$6 | \$10 |
| at least 65 but less than 80 | \$7 | \$12 |
| at least 80 but less than 100 | \$10 | \$15 |
| at least 100 but less than 140 | \$13 | \$17 |
| 140 or more | \$15 | \$21 |

Only fully insured Group Medical plans and Level-Funded Premium group plans are eligible for the Small Business Opportunity.

* Small Employer Groups are those with fewer than 100 subscribers on the plan’s initial effective date of coverage or, if the initial effective date of coverage is prior to December, 2015, the number of employees covered in December, 2015.

Large Group Opportunity:

An Agent of Record must have at least four Large Group* Medical Cases in force with at least 500 Medical subscribers in force in those Medical Cases on the last day of the calendar quarter. If these minimums are met, the Agent of Record is eligible to receive a bonus payment based on the number of subscribers enrolled in Eligible Cases on the last day of the calendar quarter.

| Agent of Record's Large Group Case Count is at least | Quarterly Bonus Payment per Large Group Medical Subscriber | | | |
|--|--|-----------|-------------|-----------|
| | Fully Insured | | Self-Funded | |
| | Basic | Activated | Basic | Activated |
| at least 4 but less than 6 | \$1 | \$4 | \$1 | \$2 |
| at least 6 but less than 8 | \$2 | \$5 | \$1 | \$2 |
| at least 8 but less than 10 | \$4 | \$7 | \$2 | \$3 |
| at least 11 but less than 14 | \$7 | \$11 | \$2 | \$3 |
| at least 14 but less than 18 | \$10 | \$14 | \$3 | \$4 |
| 18 or more | \$13 | \$20 | \$3 | \$4 |

Only fully insured group Medical plans and self-funded Group Medical plans are eligible for the Large Group Opportunity.

* Large Groups are those with 100 or more subscribers on the plan's initial effective date of coverage, or if the initial effective date of coverage is prior to December, 2015, the number of employees covered in December, 2015.

How does Humana calculate the Medical Growth Bonus payments?

The Medical Growth Bonus payment is calculated as shown below, with the final amount earned being the sum of the Small Business Medical Growth Bonus payment and the Large Group Medical Growth Bonus payment:

Small Business Medical Growth Bonus payment calculation:

(Activated subscribers x Applicable Activated payment rate)

+

(Remaining subscribers x Applicable Basic payment rate)

=

Small Business Medical Growth Bonus payment

Large Group Medical Growth Bonus payment calculation:

(Fully Insured Activated subscribers x Applicable Fully Insured Activated payment rate)

+

(Fully Insured Non-Activated subscribers x Applicable Fully Insured Basic payment rate)

+

(Self-Funded Activated subscribers x Applicable Self-Funded Activated payment rate)

+

(Self-Funded, Non-Activated x Applicable Self-Funded Basic payment rate)

=

Large Group Medical Growth Bonus payment

Specialty Growth Bonus

The Specialty Growth Bonus is intended for Specialty Lines of Coverage of all sizes, including Workplace Voluntary Benefits. The Specialty Growth Bonus is paid twice annually, within 60 days after the end date of each bonus period (July 31, 2017 and January 31, 2018).

Humana rewards Producers who grow and maintain a significant block of specialty business. The Specialty Growth Bonus payment is a function of the following items:

- An initial bonus percentage expressed as a percentage of paid Compensable Premium
- A Specialty Net Growth Factor, derived from a Producer’s net gain or loss of subscribers



Partner TIP Increase your bonus up to 20 percent (or more, with larger blocks of specialty business) by maximizing the Specialty Net Growth Factor!

How do I qualify for a Specialty Growth Bonus and how much can I earn?

The following Lines of Coverage are eligible for the Specialty Growth Bonus:

1. Workplace Voluntary Benefits
2. Group Term Life (Including AD&D)
3. Group Term Voluntary/Supplemental Life (Including AD&D)
4. Group Short-term Disability
5. Group Vision (including Voluntary Vision)
6. Group Dental (including Voluntary Dental)
7. Employer-paid Critical Illness

The Specialty Growth Bonus adapts to your unique business model. You can earn according to the better of two different schedules — one driven primarily by the number of new Lines of Coverage placed during the bonus period, the other driven primarily by the total amount of specialty paid Aggregate Premium with Humana.

The Agent of Record is paid according to the more lucrative payment calculation of either Schedule 1 or Schedule 2, depending on performance for the bonus period.

Schedule 1:

Requires minimum production of:

- Eight new Lines of Coverage sold during the bonus period; **and**
- 20 total Lines of Coverage in force with at least 350 specialty subscribers in force at the end of the bonus period

| Total New Line of Coverage Count | Initial Bonus as a Percentage of Paid Compensable Premium and Fees |
|----------------------------------|--|
| 40 or more | 5.00% |
| At least 35, but less than 40 | 4.00% |
| At least 30, but less than 35 | 3.50% |
| At least 25, but less than 30 | 3.00% |
| At least 20, but less than 25 | 2.50% |
| At least 18, but less than 20 | 2.00% |
| At least 14, but less than 18 | 1.50% |
| At least 11, but less than 14 | 1.00% |
| At least 8, but less than 11 | 0.50% |

Schedule 2:

Requires minimum production of:

- Two new Lines of Coverage sold during the bonus period; **and**
- Ten total Lines of Coverage in force at the end of the bonus period; **and**
- \$250,000 in paid Aggregate Premium and administration fees on Lines of Coverage in force during the bonus period

| Paid Aggregate Premium and Fees | Initial Bonus as a Percentage of Paid Compensable Premium and Fees |
|---------------------------------|--|
| \$1,200,000 + | 5.00% |
| \$825,000 – \$1,199,999 | 4.00% |
| \$600,000 – \$824,999 | 3.00% |
| \$450,000 – \$599,999 | 2.00% |
| \$250,000 – \$449,999 | 1.00% |

What modifying factor impacts the amount of my Specialty Growth Bonus?

The initial bonus amount can be modified by a Specialty Net Growth Factor.



Partner TIP Exclusive PLUS factors apply to Producers ending the prior bonus period with 2,000 or more specialty subscribers.

Specialty Net Growth Factor for the Specialty Growth Bonus

The percentage change in the subscriber count of eligible Lines of Coverage between the last day of the current and prior bonus periods is used to determine the Specialty Net Growth Factor for the current bonus period. Specialty Lines of Coverage eligible for inclusion in the Specialty Growth Bonuses are the Lines of Coverage listed in the “What is a Line of Coverage?” section, excluding Group Medical and Group Long-Term Disability.

Producers ending the prior bonus period with less than 2,000 specialty subscribers will use the following schedule to determine their Specialty Net Growth Factor:

| Change in Specialty Subscriber Counts | Specialty Net Growth Factor |
|---|--|
| 20% or greater net growth | 120% |
| Net growth of up to 20% | 100% plus 1% for each 1% of net growth |
| No change in subscriber counts | 100% |
| Net loss of up to 20% subscriber counts | 100% less 5% for each 1% of net loss |
| 20% or greater net loss | 0% (no bonus) |

PLUS Scale

Producers ending the prior bonus period with 2,000 or more specialty subscribers will use the following schedule to determine their Specialty Net Growth Factor:

| Change in Specialty Subscriber Counts | Specialty Net Growth PLUS Factor |
|---------------------------------------|--|
| 20% or greater net growth | 140% |
| Net growth of up to 20% | 100% plus 2% for each 1% of net growth |
| No change or up to a 5% net loss | 100% |
| Net loss of up to 25% | 100% less 5% for each 1% of net loss in excess of 5% |
| 25% or greater net loss | 0% (no bonus) |

What is the Line of Coverage premium maximum for the Specialty Growth Bonus?

All Lines of Coverage have a maximum of \$100,000 per Line of Coverage per bonus period. Group AD&D and Dependent Life premium is included in Aggregate and Compensable Premium calculations.

How does Humana calculate my Specialty Growth Bonus?

Humana multiplies the three numbers together to calculate bonus amounts.

$$\text{Initial Bonus Percent} \times \text{Compensable Premium} \times \text{Specialty Growth Factor} = \text{Specialty Growth Bonus}$$

Group Medical and Go365 – base commissions

When are these Group Medical base commission schedules effective?

- New sales: These schedules apply to initial effective dates of coverage of December 1, 2016, and later
- Existing Humana customers (as of November 30, 2016): These schedules take effect as of each plan’s respective policy anniversary occurring on or after December 1, 2016
- EXCEPTION: Texas-based Small Group renewing on or after December 1, 2016, on fully insured plans that are not community-rated* are subject to the Base Commission schedule in the Producer Partnership Plan in effect as of each respective employer’s initial effective date of Medical coverage with Humana

* Refers to the Affordable Care Act’s minimum premium rating rules.

Large Group Medical (100 or more eligible employees)

Base commission

Louisiana-based employers only:

| | |
|--|----------------------------------|
| Fully insured | |
| 100 or more eligible, but less than 100 enrolled | Minimum standard commission = 4% |
| 100 – 299 enrolled | Minimum standard commission = 4% |
| 300 – 499 enrolled | Minimum standard commission = 3% |
| 500 or more enrolled | Minimum standard commission = 1% |

All other states negotiable

Contact your Humana sales executive for more information and to complete a Single Case Agreement.

Go365 (all Case sizes)

When Go365 is placed with a customer who does not have a Humana fully insured Medical plan, base commissions for Go365 may be added to the fees charged, if requested by the Agent of Record through completion of a Single Case Agreement prior to the pricing of the Go365 plan and with the approval of Humana.

Small Group Medical (99 or fewer eligible employees)

The base commission schedules for Small Group Medical are provided on pages 15-18. Review the information below for additional details regarding Small Group Medical base commissions.

Small Group base commissions vary depending on three factors:

- 1. The Case size:** There are two Case sizes – 1-50 or 51-99 – based on eligible employee counts. Determinations are made at the time of initial application and on the annual policy anniversary, and will remain in effect until the next annual policy anniversary regardless of any month-to-month enrollment fluctuations. Humana reserves the right to establish the Case size for any specific group.
- 2. The Commission Tier of the Agent of Record at time of commission calculation** is established by Humana each calendar quarter.
- 3. The situs state as reflected in Humana’s systems:** The situs state is the state in which the master group policy for Medical coverage was issued. Contact your Humana sales executive for information on how various site multi-location groups are administered.

Can a group’s base commission fluctuate from month to month?

Yes, in two instances:

- 1.** If a Case is tagged as having a 1-50 Case size group, the applicable base commission is determined by the number of subscribers for each premium bill month. If a 1-50 Case size Case grows to greater than 50 enrolled subscribers, the group will be paid on the 1-50 Case size range that includes up to 50 enrolled subscribers until it is reclassified as a 51-99 Case size Case at a subsequent policy anniversary.
- 2.** If an Agent of Record experiences a quarterly change in Commission Tiers. For more information, review the section titled “What happens when I qualify for a higher or lower Commission Tier?”

Group Medical and Go365 – base commissions

How are Commission Tiers determined?

The Agent of Record’s total weighted Eligible Lines of Coverage (ELC) on the last day of each calendar quarter will determine the Commission Tier for which the Producer qualifies. The Commission Tier for which the Agent of Record qualifies could change each Commission Tier Cycle based on changes to the Agent of Record’s total weighted ELCs, described below. A Commission Tier Cycle refers to approximately three months of base commission payments, effective for premium paid and applied by Humana on or after the 26th of the month after the end of each calendar quarter.

| Commission Tier 1 | Commission Tier 2 | Commission Tier 3 |
|-------------------|------------------------------------|-------------------|
| Less than 13 ELCs | At least 13, but less than 45 ELCs | 45 or more ELCs |

How is my weighted ELC count determined?

ELCs are the Medical and Specialty Lines of Coverage determined to have 2-99 enrolled subscribers on the most recent of either the Medical coverage’s initial effective date or Dec. 31, 2008. Please review the Growth Bonus for full eligibility details. Each ELC is weighted according to the below table:

| Line of Coverage | ELC Credit | Line of Coverage | ELC Credit |
|---|------------|------------------------------------|------------|
| Group Medical | 1.0 | Group Dental (including voluntary) | 0.50 |
| Group Vision (including voluntary) | 0.25 | Group Term Life (including AD&D) | 0.25 |
| Group Term Supplemental Life (including AD&D) | 0.25 | Group Short-term Disability | 0.25 |
| Group Long-term Disability | 0.25 | Employer-Paid Critical Illness | 0.25 |

What happens if I qualify for a higher, lower or no change in Commission Tier?

- 1. No change:** If the Agent of Record qualifies for the same Commission Tier as in the previous Commission Tier Cycle, there will be no change to the Agent of Record’s Commission Tier.
- 2. Higher Commission Tier:** If the Agent of Record qualifies for an increase in Commission Tier, the increase is effective for base commissions paid on all eligible Cases for the next Commission Tier Cycle.
- 3. Lower Commission Tier:** If the Agent of Record qualifies for a lower Commission Tier, he or she will either be:
 - a. Placed in a Grace Period, being paid on a higher Commission Tier than qualified, remaining on the prior qualified Commission Tier for one Commission Tier Cycle; **or**
 - b. Will be paid on the next lowest Commission Tier, if he or she was in a Grace Period before qualifying for a reduction in Commission Tier for the second consecutive Commission Tier Cycle

Group Medical and Go365 – base commissions

The table below provides detailed situations of how an Agent of Record is placed into a Grace Period or experiences a reduction in Commission Tier.

| Commission Tier determination at end of Prior Commission Tier Cycle | Commission Tier under which you are currently being paid | Commission Tier determination at end of Current Commission Tier Cycle | Commission Tier under which you will be paid in the Next Commission Tier Cycle |
|--|---|--|---|
| Commission Tier 3 | Commission Tier 3 | Commission Tier 1 or 2 | Commission Tier 3 Placed in Grace Period |
| Commission Tier 2 | Commission Tier 2 | Commission Tier 1 | Commission Tier 2 Placed in Grace Period |
| Commission Tier 1 | Commission Tier 3 Currently in Grace Period | Commission Tier 2 | Commission Tier 2 |
| Commission Tier 2 | Commission Tier 3 Currently in Grace Period | Commission Tier 2 | Commission Tier 2 |
| Commission Tier 1 | Commission Tier 3 Currently in Grace Period | Commission Tier 1 | Commission Tier 2 Placed in Grace Period |
| Commission Tier 2 | Commission Tier 3 Currently in Grace Period | Commission Tier 1 | Commission Tier 2 Placed in Grace Period |

Commission Tier Cycle Calendar for 2017

There are four Commission Tier Cycles for 2017. Below are the important dates for each Commission Tier Cycle:

| | Commission Tier Cycle 1 | Commission Tier Cycle 2 | Commission Tier Cycle 3 | Commission Tier Cycle 4 |
|---|-------------------------------------|-----------------------------------|-------------------------------------|-------------------------------------|
| Commission Tier Cycle begin and end dates: | January 26, 2017 – April 25, 2017 | April 26, 2017 – July 25, 2017 | July 26, 2017 – October 25, 2017 | October 26, 2017 – January 25, 2018 |
| ELC Count measured for business in force as of: | December 31, 2016 | March 31, 2017 | June 30, 2017 | September 30, 2017 |
| Next Commission Tier Cycle begin and end dates: | April 26, 2017 – July 25, 2017 | July 26, 2017 – October 25, 2017 | October 26, 2017 – January 25, 2018 | January 26, 2018 – April 25, 2018 |
| Prior Commission Tier Cycle begin and end dates: | October 26, 2016 – January 25, 2017 | January 26, 2017 – April 25, 2017 | April 26, 2017 – July 25, 2017 | July 26, 2017 – October 25, 2017 |

The following tables provide the Small Business base commission schedules by state for 2017. Base commissions are expressed by either a percent of paid premium or a payment per enrolled subscriber per month.

Small Business Group Medical Base Commissions – State Schedules

| Group Situs State | Enrolled subscribers for premium bill month | Commission Tier 1 | | Commission Tier 2 | | Commission Tier 3 | |
|---|---|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|
| | | First year | Subsequent year | First year | Subsequent year | First year | Subsequent year |
| Alabama Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$7.25 | \$6.75 | \$8.50 | \$7.50 | \$9.50 | \$8.50 |
| | 4 to 15 enrolled | \$29.00 | \$28.00 | \$30.00 | \$29.25 | \$31.25 | \$30.50 |
| | 16 to 25 enrolled | \$24.50 | \$23.50 | \$25.75 | \$24.75 | \$26.75 | \$26.00 |
| | 26 to 50 enrolled | \$16.50 | \$14.75 | \$18.25 | \$16.50 | \$20.25 | \$18.25 |
| Arkansas Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$15.00 | \$14.00 | \$15.00 | \$14.00 | \$15.00 | \$14.00 |
| | 4 to 25 enrolled | \$29.00 | \$28.00 | \$30.00 | \$29.00 | \$31.00 | \$30.00 |
| | 26 to 50 enrolled | \$27.00 | \$26.00 | \$28.00 | \$27.00 | \$29.00 | \$28.00 |
| Arizona Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$8.00 | \$7.00 | \$10.00 | \$9.00 | \$12.00 | \$11.00 |
| | 4 to 25 enrolled | \$24.00 | \$22.00 | \$27.00 | \$25.00 | \$28.00 | \$26.00 |
| | 26 to 50 enrolled | \$20.00 | \$18.00 | \$23.00 | \$21.00 | \$26.00 | \$24.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts+ | 3.50% | 3.25% | 3.75% | 3.50% | 4.25% | 4.00% | |
| Colorado Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$23.00 | \$23.00 | \$24.00 | \$24.00 | \$25.00 | \$25.00 |
| | 4 to 25 enrolled | \$23.00 | \$23.00 | \$24.00 | \$24.00 | \$25.00 | \$25.00 |
| | 26 to 50 enrolled | \$23.00 | \$23.00 | \$24.00 | \$24.00 | \$25.00 | \$25.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$23.00 | \$23.00 | \$24.00 | \$24.00 | \$25.00 | \$25.00 | |
| Florida, excluding Dade, Palm Beach and Broward Counties Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$5.00 | \$5.00 | \$5.00 | \$5.00 | \$5.00 | \$5.00 |
| | 4 to 25 enrolled | \$28.00 | \$25.00 | \$29.00 | \$26.00 | \$30.00 | \$27.00 |
| | 26 to 50 enrolled | \$26.00 | \$23.00 | \$27.00 | \$24.00 | \$28.00 | \$25.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts+ | 3.75% | 3.50% | 4.25% | 3.75% | 4.75% | 4.25% | |
| Florida Counties of Dade, Palm and Broward only Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$5.00 | \$5.00 | \$5.00 | \$5.00 | \$5.00 | \$5.00 |
| | 4 to 10 enrolled | \$33.00 | \$31.00 | \$34.00 | \$32.00 | \$35.00 | \$33.00 |
| | 11 to 25 enrolled | \$31.00 | \$29.00 | \$32.00 | \$30.00 | \$33.00 | \$31.00 |
| | 26 to 50 enrolled | \$29.00 | \$27.00 | \$30.00 | \$28.00 | \$31.00 | \$29.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts+ | 4.00% | 3.75% | 4.50% | 4.00% | 5.00% | 4.50% | |

More state-specific base commissions for small business Medical on the next page.

Small Business Group Medical Base Commissions – State Schedules

| Group Situs State | Enrolled subscribers for premium bill month | Commission Tier 1 | | Commission Tier 2 | | Commission Tier 3 | |
|---|---|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|
| | | First year | Subsequent year | First year | Subsequent year | First year | Subsequent year |
| Georgia Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$29.00 | \$27.00 | \$31.00 | \$29.00 | \$33.00 | \$31.00 |
| | 4 to 25 enrolled | \$29.00 | \$27.00 | \$31.00 | \$29.00 | \$33.00 | \$31.00 |
| | 26 to 50 enrolled | \$29.00 | \$27.00 | \$31.00 | \$29.00 | \$33.00 | \$31.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$26.00 | \$24.00 | \$28.00 | \$26.00 | \$30.00 | \$28.00 | |
| Illinois Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$10.00 | \$9.00 | \$11.00 | \$10.00 | \$12.00 | \$11.00 |
| | 4 to 15 enrolled | \$32.00 | \$31.00 | \$34.00 | \$33.00 | \$36.00 | \$35.00 |
| | 16 to 25 enrolled | \$30.00 | \$29.00 | \$32.00 | \$31.00 | \$34.00 | \$33.00 |
| | 26 to 50 enrolled | \$26.00 | \$25.00 | \$28.00 | \$27.00 | \$30.00 | \$29.00 |
| Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | | |
| All enrolled counts | \$22.00 | \$21.00 | \$23.00 | \$22.00 | \$24.00 | \$23.00 | |
| Indiana Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$10.00 | \$9.00 | \$12.00 | \$11.00 | \$15.00 | \$14.00 |
| | 4 to 25 enrolled | \$20.00 | \$19.00 | \$23.00 | \$22.00 | \$26.50 | \$25.50 |
| | 26 to 50 enrolled | \$20.00 | \$19.00 | \$23.00 | \$22.00 | \$26.50 | \$25.50 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$19.00 | \$18.00 | \$21.00 | \$20.00 | \$22.00 | \$21.00 | |
| Kansas Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$11.00 | \$10.00 | \$13.00 | \$12.00 | \$15.00 | \$14.00 |
| | 4 to 9 enrolled | \$26.00 | \$25.00 | \$28.00 | \$27.00 | \$32.00 | \$31.00 |
| | 10 to 25 enrolled | \$23.00 | \$22.00 | \$25.00 | \$24.00 | \$30.00 | \$29.00 |
| | 26 to 50 enrolled | \$21.00 | \$20.00 | \$23.00 | \$22.00 | \$27.00 | \$26.00 |
| Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | | |
| All enrolled counts+ | 2.75% | 2.50% | 3.00% | 2.75% | 3.25% | 3.00% | |
| Kentucky Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$8.00 | \$7.00 | \$9.00 | \$8.00 | \$10.00 | \$9.00 |
| | 4 to 25 enrolled | \$17.50 | \$16.00 | \$23.50 | \$21.00 | \$27.50 | \$26.00 |
| | 26 to 50 enrolled | \$16.00 | \$15.00 | \$21.00 | \$20.00 | \$23.00 | \$22.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$17.00 | \$16.00 | \$18.00 | \$17.00 | \$19.00 | \$18.00 | |

More state-specific base commissions for small business Medical on the next page.

Small Business Group Medical Base Commissions – State Schedules

| Group Situs State | Enrolled subscribers for premium bill month | Commission Tier 1 | | Commission Tier 2 | | Commission Tier 3 | |
|--|---|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|
| | | First year | Subsequent year | First year | Subsequent year | First year | Subsequent year |
| Louisiana Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$8.00 | \$7.00 | \$9.00 | \$8.00 | \$10.00 | \$9.00 |
| | 4 to 15 enrolled | \$28.00 | \$27.00 | \$30.00 | \$29.00 | \$32.00 | \$31.00 |
| | 16 to 25 enrolled | \$26.00 | \$25.00 | \$28.00 | \$27.00 | \$29.00 | \$28.00 |
| | 26 to 50 enrolled | \$20.00 | \$20.00 | \$22.00 | \$21.00 | \$24.00 | \$23.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| | All enrolled counts+ (effective until 1/31/17) | 3.25% | 3.00% | 3.75% | 3.25% | 4.25% | 3.5% |
| All enrolled counts (effective 2/1/17) | \$18.00 | \$18.00 | \$20.75 | \$19.75 | \$23.50 | \$21.25 | |
| Michigan Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) (effective 2/1/17) | | | | | | |
| | 1 to 3 enrolled | \$10.00 | \$10.00 | \$10.00 | \$10.00 | \$10.00 | \$10.00 |
| | 4 to 25 enrolled | \$20.00 | \$20.00 | \$22.00 | \$22.00 | \$24.00 | \$24.00 |
| | 26 to 50 enrolled | \$20.00 | \$20.00 | \$22.00 | \$22.00 | \$24.00 | \$24.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| | All enrolled counts | \$6.00 | \$17.25 | \$7.50 | \$20.00 | \$9.75 | \$22.50 |
| Missouri Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$11.00 | \$10.00 | \$13.00 | \$12.00 | \$15.00 | \$14.00 |
| | 4 to 9 enrolled | \$26.00 | \$25.00 | \$28.00 | \$27.00 | \$32.00 | \$31.00 |
| | 10 to 25 enrolled | \$23.00 | \$22.00 | \$25.00 | \$24.00 | \$30.00 | \$29.00 |
| | 26 to 50 enrolled | \$21.00 | \$20.00 | \$23.00 | \$22.00 | \$27.00 | \$26.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts+ | 2.75% | 2.50% | 3.00% | 2.75% | 3.25% | 3.00% | |
| Mississippi Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$8.00 | \$7.00 | \$9.00 | \$8.00 | \$10.00 | \$9.00 |
| | 4 to 9 enrolled | \$29.00 | \$28.00 | \$30.00 | \$29.00 | \$31.00 | \$30.00 |
| | 10 to 25 enrolled | \$27.00 | \$26.00 | \$28.00 | \$27.00 | \$29.00 | \$28.00 |
| | 26 to 50 enrolled | \$23.00 | \$22.00 | \$24.00 | \$23.00 | \$25.00 | \$24.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$18.00 | \$18.00 | \$20.75 | \$19.75 | \$23.50 | \$21.25 | |
| Nebraska Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$10.75 | \$9.75 | \$12.00 | \$11.25 | \$16.00 | \$15.00 |
| | 4 to 9 enrolled | \$22.50 | \$21.50 | \$25.50 | \$24.50 | \$30.75 | \$29.75 |
| | 10 to 25 enrolled | \$28.00 | \$27.00 | \$30.75 | \$29.75 | \$36.00 | \$35.25 |
| | 26 to 50 enrolled | \$18.75 | \$17.75 | \$20.00 | \$19.00 | \$25.50 | \$24.50 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$14.75 | \$13.75 | \$16.00 | \$15.00 | \$17.50 | \$16.50 | |

More state-specific base commissions for small business Medical on the next page.

Small Business Group Medical Base Commissions – State Schedules

| Group Situs State | Enrolled subscribers for premium bill month | Commission Tier 1 | | Commission Tier 2 | | Commission Tier 3 | |
|---|---|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|
| | | First year | Subsequent year | First year | Subsequent year | First year | Subsequent year |
| Nevada Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$31.00 | \$29.00 | \$33.00 | \$31.00 | \$34.00 | \$32.00 |
| | 4 to 25 enrolled | \$31.00 | \$29.00 | \$33.00 | \$31.00 | \$34.00 | \$32.00 |
| | 26 to 50 enrolled | \$28.00 | \$26.00 | \$31.00 | \$29.00 | \$34.00 | \$32.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$18.75 | \$17.00 | \$20.00 | \$18.00 | \$21.25 | \$19.25 | |
| Ohio Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$20.75 | \$19.75 | \$23.00 | \$22.00 | \$25.25 | \$24.25 |
| | 4 to 10 enrolled | \$20.75 | \$19.75 | \$23.00 | \$22.00 | \$25.25 | \$24.25 |
| | 11 to 25 enrolled | \$20.75 | \$19.75 | \$23.00 | \$22.00 | \$25.25 | \$24.25 |
| | 26 to 50 enrolled | \$20.50 | \$18.50 | \$21.50 | \$20.50 | \$23.00 | \$22.00 |
| Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | | |
| All enrolled counts | \$19.00 | \$18.00 | \$20.00 | \$19.00 | \$21.00 | \$20.00 | |
| Oklahoma Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$13.25 | \$12.25 | \$16.00 | \$15.00 | \$25.50 | \$24.50 |
| | 4 to 25 enrolled | \$22.50 | \$21.50 | \$24.00 | \$23.00 | \$26.50 | \$25.75 |
| | 26 to 50 enrolled | \$22.50 | \$21.50 | \$24.00 | \$23.00 | \$26.50 | \$25.75 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$14.75 | \$13.75 | \$16.00 | \$15.00 | \$17.50 | \$16.50 | |
| Tennessee Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$15.00 | \$14.00 | \$15.00 | \$14.00 | \$15.00 | \$14.00 |
| | 4 to 25 enrolled | \$29.00 | \$28.00 | \$30.00 | \$29.00 | \$31.00 | \$30.00 |
| | 26 to 50 enrolled | \$27.00 | \$26.00 | \$28.00 | \$27.00 | \$29.00 | \$28.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$20.25 | \$19.00 | \$21.75 | \$20.50 | \$23.25 | \$22.00 | |
| Texas Expressed as a percent of paid premium | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | 4.00% | 4.00% | 4.25% | 4.25% | 4.50% | 4.50% |
| | 4 to 25 enrolled | 4.00% | 4.00% | 4.25% | 4.25% | 4.50% | 4.50% |
| | 26 to 50 enrolled | 4.00% | 4.00% | 4.25% | 4.25% | 4.50% | 4.50% |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | 3.50% | 3.50% | 4.00% | 4.00% | 4.25% | 4.25% | |
| Utah Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$31.00 | \$28.00 | \$32.00 | \$29.00 | \$34.00 | \$31.00 |
| | 4 to 25 enrolled | \$31.00 | \$28.00 | \$32.00 | \$29.00 | \$34.00 | \$31.00 |
| | 26 to 50 enrolled | \$27.00 | \$23.00 | \$30.00 | \$26.00 | \$32.00 | \$28.00 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$21.00 | \$20.00 | \$22.00 | \$21.00 | \$23.00 | \$22.00 | |

More state-specific base commissions for small business Medical on the next page.

Small Business Group Medical Base Commissions – State Schedules

| Group Situs State | Enrolled subscribers for premium bill month | Commission Tier 1 | | Commission Tier 2 | | Commission Tier 3 | |
|---|---|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|
| | | First year | Subsequent year | First year | Subsequent year | First year | Subsequent year |
| Virginia Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$22.50 | \$21.50 | \$25.50 | \$24.50 | \$28.00 | \$27.00 |
| | 4 to 25 enrolled | \$25.50 | \$24.50 | \$28.00 | \$27.00 | \$30.75 | \$29.75 |
| | 26 to 50 enrolled | \$22.50 | \$21.50 | \$24.00 | \$23.00 | \$25.50 | \$24.50 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$17.00 | \$16.00 | \$18.00 | \$17.00 | \$19.00 | \$18.00 | |
| Wisconsin Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$8.00 | \$7.00 | \$9.00 | \$8.00 | \$11.00 | \$10.00 |
| | 4 to 10 enrolled | \$25.00 | \$24.00 | \$26.00 | \$25.00 | \$28.00 | \$27.00 |
| | 11 to 25 enrolled | \$25.00 | \$24.00 | \$26.00 | \$25.00 | \$28.00 | \$27.00 |
| | 26 to 50 enrolled | \$21.00 | \$20.00 | \$22.00 | \$21.00 | \$24.00 | \$23.00 |
| Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | | |
| All enrolled counts | \$20.00 | \$19.00 | \$21.00 | \$20.00 | \$23.00 | \$22.00 | |
| All other states Expressed as a payment per enrolled subscriber per month | Fully Insured Case Size 1-50 Eligibles (see full definition on page 12) | | | | | | |
| | 1 to 3 enrolled | \$19.00 | \$18.00 | \$20.50 | \$19.50 | \$22.00 | \$21.25 |
| | 4 to 25 enrolled | \$26.50 | \$25.75 | \$28.25 | \$27.25 | \$30.00 | \$29.00 |
| | 26 to 50 enrolled | \$21.50 | \$20.75 | \$23.25 | \$22.25 | \$24.75 | \$23.75 |
| | Fully Insured Case Size 51-99 Eligibles and Level Funded Premium Case Size 10-99 Eligibles (see full definition on page 12) | | | | | | |
| All enrolled counts | \$18.00 | \$12.50 | \$18.50 | \$13.00 | \$19.00 | \$13.50 | |

+The Case size 51-99 business is paid as a percent of Paid Premium, which differs from the Case size 1-50 business which is paid as a dollar amount per enrolled subscriber per month.

Group Specialty Base Commissions

Group Specialty coverages, excluding Workplace Voluntary Benefits

These base commission schedules are effective for new customers with initial effective dates of coverage on January 1, 2017, or later. New group Specialty Lines of Coverage added to existing customer accounts are subject to the Group Specialty commission schedules in effect as of the date that customer's period of continuous coverage with Humana began. (Example: Customer began Medical coverage on January 1, 2013, and added dental coverage on January 1, 2017. The 2013 Group Specialty commission schedule applies to the new dental coverage.)

Group Specialty base commissions are calculated separately from Group Medical base commissions. The Group Specialty base commissions in this document apply to first-year and subsequent year premium payments. Producers may modify the below Group Specialty base commissions for Cases with 50 or more eligible employees by executing a Single Case Agreement. See your Humana sales executive for more information.

- Employer sponsored basic Group Life and AD&D for groups with 1-50 enrolled subscribers – 10 percent
- Voluntary basic Group Life and AD&D – 15 percent
- Employer-paid Critical Illness – (see table below):

| State | Standard commissions |
|-------------------------------------|----------------------|
| Excluding CT, MD, MN, NJ, NY, VT,WA | 20% |
| CT | 15% |
| MD | 10% |
| MN | 10% |
| NJ | 10% |
| NY | 10% |
| VT | 15% |
| WA | 10% |

Other Group Specialty base commissions:

Accumulated base commission schedule applicable to the following Lines of Coverage:

| Annual Premium | Employer-Sponsored Basic Group Life and AD&D with 51 or more enrolled subscribers | Long-Term Disability and Short-Term Disability | Annual Premium | Dental* and Vision (For new business with an initial effective date of coverage on or after December 1, 2016) |
|------------------------|---|--|------------------------|---|
| For the first \$5,000 | 15% | 15% | For the first \$10,000 | 10.0% |
| For the next \$20,000 | 10% | 10% | For the next \$10,000 | 7.5% |
| For the next \$25,000 | 7% | 7% | For the next \$10,000 | 5.0% |
| For the next \$50,000 | 3% | 3% | For the next \$20,000 | 2.5% |
| For the next \$100,000 | 2% | 2% | Over \$50,000 | 1.5% |
| Over \$200,000 | 1% | 1% | | |

*For Texas-based employers only: The commission schedule for employer-sponsored dental plans with fewer than 100 eligible employees is 10 percent of annual premium, at all premium levels.

Workplace Voluntary Benefits

This Workplace Voluntary Benefits Commission Schedule supersedes and replaces any and all previous agreements between Producer and Humana regarding commission schedules for Workplace Voluntary Benefits. This Schedule is effective for Workplace Voluntary Benefits Vested Commission Policies with initial effective dates of coverage on or after December 1, 2016. For producers with a California resident state producer license, this Schedule is effective for Workplace Voluntary Benefits Vested Commission Policies with initial effective dates of coverage on or after January 1, 2017. For producers with a Louisiana resident state producer license, this Schedule is effective for Workplace Voluntary Benefits Vested Commission Policies with initial effective dates of coverage on or after February 1, 2017.

Commission rates in the table below are expressed as a percentage of paid and processed premium, and are applicable in first and subsequent years of coverage. Producers using Humana or independent enrollment services may have premium credit splits applied to their commission calculations.

Commission Rates

| Product | States | Up to 50 eligible employees | 51-299 eligible employees |
|--|------------|-----------------------------|---------------------------|
| Accident (7006/8006/8016/60830) | All states | 10% | 15% |
| Cancer (70240) | All states | 10% | 15% |
| Critical Illness (8011 or 1708) | All states | 10% | 15% |
| Individual Disability (80315 or 80260) | All states | 10% | 15% |
| Group Disability (8014 or 8000) | All states | 10% | 15% |
| Supplemental Health (8015) | All states | 10% | 15% |
| Hospital Indemnity (8019) | All states | 10% | 15% |
| Term Life (20235 and 8013) | All states | 10% | 15% |
| Whole Life (455) | All states | 10% | 15% |

Commission Rates

| Product | States | 300 or more eligible employees |
|--|----------------------------|---------------------------------------|
| Accident (7006/8006/8016/60830) | CO, ND, OH, SC, TN, NY, VT | 15% |
| | All other states | 20% |
| Cancer (70240) | All states | 20% |
| Critical Illness (8011 or 1708) | CT, MD, MN, NJ, WA, NY | 15% |
| | All other states | 20% |
| Individual Disability (80315 or 80260) | CA, CO, MN, WV | 15% |
| | All other states | 20% |
| Group Disability (8014 or 8000) | CO, MD, NY, VT, MN | 15% |
| | All other states | 20% |
| Supplemental Health (8015) | CO, OH, MD, NH, VT, RI | 15% |
| | All other states | 20% |
| Hospital Indemnity (8019) | CO, OH, MD, NH, VT, RI | 15% |
| | All other states | 20% |
| Term Life (20235 and 8013) | All states | 20% |
| Whole Life (455) | All states | 20% |

Group Medicare Base Commissions

Humana group-sponsored* Medicare Advantage (MA) plans deliver benefits for employers and their beneficiaries. Humana Medicare Advantage plans can improve an employer's balance sheet with lower costs than most Medicare secondary plans and have the potential to improve FAS 106 or GASB 45 liability.

Humana Group Medicare Advantage 2017 commission schedule

For new business with effective dates on or after January 1, 2017, and existing business with policy anniversary dates on or after January 1, 2017:

| Group Medicare commissions | First Contract year commission | Subsequent contract year commission |
|---|--------------------------------|-------------------------------------|
| Medicare Advantage (MA) or Medicare Advantage with Prescription Drug (MAPD) | \$150 per enrollee | \$50 per enrollee |
| Prescription Drug Plan (PDP) only | \$50 per enrollee | Not applicable |

Commission schedules are subject to change based on changes in CMS guidelines or for future policy years. If a Group Medicare Advantage plan is subsequently added to a prescription drug plan (PDP), only the difference in the commission between the Group MA amount and the Group PDP amount will be paid according to the Qualification and Payment guidelines below. If a PDP is added to an MA plan, no additional amount will be paid. No subsequent year commission is payable for Group PDP members.

This program does not apply to groups with greater than 5,000 enrollees. For these groups, a Single Case Agreement is required to determine producer payments.

Qualification

All of the following criteria must be met by the Agent of Record to qualify for the program:

1. The Producer must be appointed by Humana and have in effect with Humana the Group Sponsored Medicare Advantage Agency Amendment and/or the Group Sponsored Medicare Advantage Agent Amendment on record with Humana's Agency Management Unit before the sale.
2. Member enrollment must be confirmed by CMS before any producer payments.
3. The Agent of Record must be recognized by the group that sponsored the Group Medicare Advantage plan as Agent of Record and perform the customary functions associated with this role.
4. Producers and agencies placing Group Medicare business and receiving commission are required to sign a commission schedule confirming commission rates applicable to each Group Medicare account.
5. The broker must complete the Group Medicare training to be paid commissions.

* "Sponsored" means that the employer agrees to make the plan available to their eligible retirees.

Payment

First contract year commission payments are made in the fourth month after the member's effective date, assuming confirmation by CMS that the individual is an MA, MAPD or PDP enrollee. Subsequent contract years begin with the first January following the Case's initial effective date. All subsequent year commissions are paid based on enrollment in January, with payments issued in April. Charge-backs in the amount of the previously paid commissions will result if a Case cancels within the first contract year. The amount of charge-back will be proportionate to the time remaining in the contract period on the date of termination. It will be charged against future commissions. If there are no future payments against which to recoup the charge-back, the full amount of the charge-back shall be due and payable by the Producer within 90 days.

