

GROUP BROKER COMPENSATION AGREEMENT

Parties; Scope of Agreement. This Group Broker Compensation Agreement (“Compensation Agreement”) between UnitedHealthcare Insurance Company (“United”), on behalf of itself and its Affiliates (collectively, “the Company”) and

_____ or
Name of Broker or Consulting Firm or Agency

_____ or
Name of Individual Broker (if not employed by or affiliated/associated with a Firm or Agency)

hereinafter referred to as “Broker,” sets forth the compensation terms and rate(s) for the sale of products and services to the Employer Group identified below. This Compensation Agreement hereby incorporates by reference and is subject to terms and conditions of the Broker Agreement Group Retiree Products (“Broker Agreement”) between the Company and Broker. The compensation rate(s) below will apply to Broker services rendered or provided to the Employer Group identified below from the following effective date:

Name of Employer Group

Employer Group Corporate Address

Group Effective Date

Effective Date. This Compensation Agreement is effective as of the date it is signed by both parties, as noted on the signature page hereto (“Effective Date”), and replaces and supersedes any prior Compensation Agreement between the parties regarding identification to the Company of Employer Groups interested in purchasing Group Products or services for Retirees, and any compensation payable with respect thereto.

General Terms and Conditions

- This Compensation Agreement does not cover enrollments of Retirees. All enrollments and enrollment related activities shall be conducted by the Company’s employed representatives or agents/brokers pursuant to a separate agreement, and not by Broker under this agreement.
- The determination of all enrollments (including, the effective date of all enrollment and disenrollment) shall be solely determined by the Company, based upon information and reports from CMS or other applicable source.
- Compensation rates are paid from the Employer Group’s effective date.
- Compensation will cease upon termination of Employer Group’s relationship with the Company.
- Compensation will cease in accordance with the terms and conditions set forth in the Agreement.
- Compensation is subject to change in accordance with the terms and conditions set forth in this Agreement

and the Broker Agreement.

Terms and Conditions Regarding MA, PDP, MA-PD, Sr. Supplement - Not Through The Connector Model

- The Company shall pay Broker on a monthly basis.

Terms and Conditions Regarding MA, PDP, MA-PD, Sr. Supplement Through The Connector Model

- “Eligible Retiree” is defined “an individual who is eligible for retiree health benefits through the Employer Group.”
- “Initial Roster Information” means the number of Eligible Retirees as of the execution date of the Employer Group’s Connector Model Service Agreement, determined by the Company based upon data provided to the Company by Employer Group.
- “Age Ins” means individuals who become Eligible Retirees after Initial Roster Information was received by the Company from the Employer Group.
- Initial Payment: The Company shall pay the Broker Firm within 60 days following the effective date. The Roster File must be received in the required format to allow processing to begin prior to the effective date. The Company will work with the Broker and Employer Group prior to the effective date to convey the required Roster File format.
- Age In Payment: For any Age Ins of the Employer Group, the Company shall pay the Broker one payment at the end of each year, representing collective payment for all individuals who became Eligible Retirees after the Company received Initial Roster Information from the Employer Group.

Terms and Conditions Regarding AARP Medicare Supplement Plans insured by UnitedHealthcare Insurance Company (“AARP Medicare Supplement Plans”), Including Through Connector Model, For all states except WA (see Compensation Rate tables below)

- Effective for groups with an Employer Group effective date of 2/1/2012 or later offering AARP Medicare Supplement Plans to 65+ retirees who are eligible for retiree health benefits through their Employer Group.
- Payments defined in Section (4)(a) under “Compensation Rates” below will occur on monthly basis.
- Active insured’s reporting for payment calculations will be based on issue state (i.e., where retiree’s AARP Medicare Supplement policy was issued).
- United will pay Group Broker Incentive payments as defined in Section (4)(b) under “Compensation Rates” below.
- Compensation will not be payable to brokers for retirees enrolled in one of our plans (specifically AARP Medicare Supplement) prior to the group effective date.
- Compensation will cease if the Employer Group terminates their relationship with the AARP Medicare

Supplement program and moves retiree business elsewhere.

- The following compensation schedules are in accordance with the filings submitted to the applicable state regulatory agencies.
- No payment will be made under this Agreement if any governmental authority determines that the compensation is inconsistent with or in violation of any requirements of any applicable laws or regulations. In the event any provision of the compensation schedule conflicts with applicable laws or regulations, the Parties agree to modify the terms of the compensation schedule to conform to said laws or regulations.
- Failure of the Company to enforce compliance with the terms and conditions of the Sections (4)(a) and (4)(b) below shall not be construed as a waiver of the right to exercise the same at any time.

**Terms and Conditions Regarding AARP Medicare Supplement Plans (Including Through Connector Model)
State of WA Only (see finders fee rate table below)**

- Applies to new employer groups with effective date of 2/1/2012 or later whereby the entire employer group converts to AARP Medicare Supplement Plans (“Case Replace Only”) for eligible WA retirees.
- Payment will be based on eligible retirees in the state of WA, from the Employer roster file (excluding retirees already enrolled in an AARP Medicare Supplement Plan).
- If Slice or Connector Model, finders fee payment will be calculated at the finders fee endorsed rate.

COMPENSATION RATES

(1) 800 Series Plans

The following compensation shall be paid by the Company to Broker for Broker’s services resulting in the sale of any of the following Group Products to Employer Group:

EGWP MA/MAPD Series Employer Subsidized	\$11 per member per month (PMPM)
EGWP MA/MAPD – Endorsed Plans (no employer subsidy)	\$8 per member per month (PMPM)
EGWP stand alone PDP	\$4 per member per month (PMPM)
Traditional Secondary to Medicare Coordination – ASO Medical	\$2 per member per month (PMPM)
Traditional Secondary to Medicare Coordination – Insured Medical	\$5 per member per month (PMPM)

(2) Senior Supplement

The following compensation shall be paid by the Company to Broker for Broker’s services resulting in the sale of any of the following Group Products to Employer Group:

Senior Supplement	\$6 per member per month (PMPM)
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Last updated 9/2013

(3) “Connector Model”

The following compensation shall be paid by the Company to Broker for Broker’s services resulting in the sale of the “Connector Model” Services or Product to Employer Group:

Medicare Advantage Plan	\$156 per member per year (PMPY)
Prescription Drug Plan (Part D)	\$24 per member per year (PMPY)

Individual Medicare Advantage and Prescription Drug Plan amounts are payable as long as United has a signed annual broker of record agreement from the employer group for services rendered in conjunction with the retiree health benefits program for up to six years. Compensation may be reduced in instances where an enrollment is completed by an agent external to United.

(4) PDP Individual Plan (sold to group)

The following compensation shall be paid by the Company to Broker for Broker’s services resulting in the sale of any of the following Group Products to Employer Group:

Prescription Drug Plan (Part D)	\$24 per member per year (PMPY)
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(5) AARP Medicare Supplement

(a) The following compensation shall be paid by the Company to Broker for Broker’s services resulting in the sale of AARP Medicare Supplement Plans to Employer Group, including sales through the Connector Model, for any new Employer Groups effective 2/1/2012 or later, so long as the Employer Group continues its relationship with United and the retiree is insured:

Compensation Rate Schedule:	Annual Rate
AARP Medicare Supplement—all plans except A, K,L, MA Core Years 1-6*	\$175.00/per member per year
AARP Medicare Supplement—Plans A, K, L, MA Core, Years 1-6*	\$ 87.50/per member per year

*WV compensation paid for years 1-5; TX compensation paid years 1-7; Compensation not payable in Puerto Rico, Guam, Virgin Islands or Northern Mariana Islands or for riders in MN and WI. A one-time finders fee will be paid for WA eligible retirees based on the following schedule:

State: WA (Finders Fees - one time payment)

Eligible WA Retirees	Finders Fee - Endorsed	Finders Fee - Subsidized
2-10	\$100	\$200
11-20	\$300	\$600
21-40	\$600	\$1,200
41-60	\$1,000	\$2,000
61-80	\$1,400	\$2,800
81-100	\$1,800	\$3,600
101-150	\$2,500	\$5,000
151-200	\$3,500	\$7,000
201-300	\$5,000	\$10,000
301-500	\$8,000	\$16,000
501-1000	\$15,000	\$30,000
1001+	\$30,000	\$60,000

(b) AARP Medicare Supplement Group Broker Incentive Payment (beginning 2012 calendar year)

Broker Incentive Rate per each Newly Enrolled Member:

	<u>A,K,L, and MA Core</u>	<u>non-A,K,L and MA Core</u>
2,500 – 4,999 Newly Enrolled Members	\$12.50	\$ 25.00
5,000 – 7,499 Newly Enrolled Members	\$15.00	\$ 30.00
7,500 – 9,999 Newly Enrolled Members	\$25.00	\$ 50.00
10,000+ Newly Enrolled Members	\$37.50	\$ 75.00

Additional Terms and Eligibility:

- (i) Group Broker Incentive payment is based on a calendar year.
- (ii) For purposes of this Program, "Newly Enrolled Members" are individual applicants who (a) are not currently enrolled in an AARP Medicare Supplement plan; and (b) meet following criteria: (1) have been accepted; (2) have paid their first month's premium; and (3) are enrolled in an AARP Medicare Supplement Plan with an effective date in the current calendar year.
- (iii) Annual Group Broker Incentive is paid on the aggregate total of all Newly Enrolled Members in the AARP Medicare Supplement in the current calendar year.
- (iv) In order to qualify for the Group Broker Incentive payment following criteria must be met:
 - (A) Group broker must achieve a minimum of 2,500 Newly Enrolled Members in the current calendar year.
 - (B) Newly Enrolled Members in the following states/territories will not be counted: WA, PR, GU, VI, MP and riders in MN and WI.
 - (C) Less than a 12% lapse rate (death or voluntary) for the book of business measured over the current calendar year.
- (v) No payments will be made if the Broker has terminated its Group Broker Compensation Agreement or was terminated by the Company.
- (vi) All payments under this Program are final and will be reported on the 1099 Form in the year issued. No payment true-ups or adjustments will be issued.

(Signature page follows)

The parties hereby agree on the terms and conditions of this Agreement. In addition, each party hereby certifies that it has not modified, changed or altered, in any way, any provision of this Agreement prior to the execution hereof.

For the Company:

For Broker:

Signature

Name of Broker or Consulting Firm

Printed Name

By: _____
Signature

Printed Name

Title

Title

TIN

Name and SSN of Individual Broker

Date

Date

FOR UNITEDHEALTHCARE INTERNAL USE ONLY: Date Received: _____ PCIS Broker ID: _____

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