



# 2023 Medical Growth Bonus amendment

To show our appreciation for your long-term partnership with us, we've amended the 2023 Medical Growth Bonus as a result of Humana's decision to exit the Employer Group Commercial Medical products business. The changes are effective April through December 2023 and make it easier for you to earn more when you sell or renew Humana medical plans.

## Bonus updates for April through December 2023:

- **Reduced the entry level for the Small Group opportunity** by reducing the number of cases needed to qualify from 26 to 10 and the number of Enrolled Employees from 200 to 150
- **Removed the 85% retention requirement**
- **Reduced the effective point of the Small Group and Large Group modifier** from 96% to 50%, and widened the range for each level of the modifier
- **Increased the Small Group rate maximum** from \$17 per Enrolled Employee to \$20 and **increased the rate scale at the other qualifying levels.**

If you have any questions, please contact your Humana sales executive. We continue to be committed to working with you to offer benefit solutions that address the unique needs of your clients – and provide easier ways to earn more for your business!

## Medical Growth Bonus details

**Amended for the three quarters ended 6/30/23, 9/30/23 and 12/31/23**

**For Group Medical Cases of all sizes. The Medical Growth Bonus is paid quarterly, within 60 days following the last day of each calendar quarter. The first calendar quarter under the amended terms ends on June 30, 2023.**



**Partner TIP:** Earn up to **20% more** on the Small Business Opportunity via our Small Group Modifier and up **40% more** on the Large Group Opportunity via our Retention and New Case Modifiers

### 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 10 Small Employer Group\* Medical Cases with 2 or more enrolled employees in force with a total of at least 150 Medical enrolled employees in force in those Medical Cases on the last day of the calendar quarter.

**Additional Qualifying Method** – Producers that do not meet the 10-case requirement can qualify via increasing their Inforce Small Group Case counts by 5 Cases, as compared to the prior quarter. Producers that qualify under this method will be compensated at the rates listed in the “at least 10 but less than 26” row listed in the chart below.

Small Group Case Count	Quarterly Bonus Payment per Small Group Medical Enrolled Employee	
	Groups with 2–9 Enrolled Employees**	Groups with 10–99 Enrolled Employees
At least 10 but less than 26	\$8	\$6
at least 26 but less than 41	\$10	\$8
at least 41 but less than 65	\$14	\$11
at least 65 but less than 100	\$17	\$13
100 or more	\$20	\$15

## Bonus programs

**Small Group Medical Growth Payment Modifier** - Agents of Record that have at least 50% of the Enrolled Employee count in force as compared to the same quarter of 2022, can increase their Small Business Bonus by 2%, for every 5 percentage points they attain above 50%, up to a maximum of 20%.

Small Group Enrolled Employee Retention Percentage	Small Group Bonus Modifier
95% or more	20.00%
At least 90%, but less than 95%	18.00%
At least 85%, but less than 90%	16.00%
At least 80%, but less than 85%	14.00%
At least 75%, but less than 80%	12.00%
At least 70%, but less than 75%	10.00%
At least 65%, but less than 70%	8.00%
At least 60%, but less than 65%	6.00%
At least 55%, but less than 60%	4.00%
At least 50%, but less than 55%	2.00%

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 enrolled employees 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.

\*\* Texas-based Small Employer Groups with 1 Enrolled Employee will be included in the 2–9 Enrolled Employee grouping.

# Large group opportunity

An Agent of Record must have at least 2 Large Group\* Medical Cases in force with a total of at least 300 Medical enrolled employees 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 employees enrolled in Eligible Cases on the last day of the calendar quarter.

Agent of Record's Large Group Case Count is	Quarterly Bonus Payment per Large Group Medical Enrolled Employee	
	Fully Insured	Self-Funded
at least 2 but less than 4	\$1.00	\$1.00
at least 4 but less than 6	\$3.00	\$1.50
at least 6 but less than 8	\$4.00	\$2.00
at least 8 but less than 11	\$6.00	\$2.50
at least 11 but less than 14	\$9.00	\$3.00
at least 14 but less than 18	\$12.00	\$3.50
18 or more	\$15.00	\$4.00

## Large Group Medical Growth Payment Modifiers:

- **New Case Modifier** – Agents of Record that add new Large Group Medical cases during 2023 can increase their Large Group Bonus by 5%, for each eligible case added. This Modifier will take effect in the quarter a qualifying case is effective and continue through the remaining quarter(s) of 2023. The maximum for this Modifier is 20% for any quarter of 2023.
- **Retention Modifier** – Agents of Record that have at least 50% of the Enrolled Employee count in force as compared to the same quarter of 2022, can increase their Large Group Bonus by 2%, for every 5 percentage points they attain above 50%, up to a maximum of 20%.

Large Group Enrolled Employee Retention Percentage	Large Group Retention Modifier
95% or more	20.00%
At least 90%, but less than 95%	18.00%
At least 85%, but less than 90%	16.00%
At least 80%, but less than 85%	14.00%
At least 75%, but less than 80%	12.00%
At least 70%, but less than 75%	10.00%
At least 65%, but less than 70%	8.00%
At least 60%, but less than 65%	6.00%
At least 55%, but less than 60%	4.00%
At least 50%, but less than 55%	2.00%

\* Large Groups are those with 100 or more enrolled employees 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:

### Medical Growth Bonus payment calculation

#### Small Business Opportunity

$$\begin{array}{|c|} \hline \text{Enrolled} \\ \text{Employees} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Applicable} \\ \text{payment rate} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Small Group} \\ \text{Business} \\ \text{Multiplier} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Small Business} \\ \text{Medical Growth} \\ \text{Bonus payment} \\ \hline \end{array}$$

#### Large Business Opportunity

$$\begin{array}{|c|} \hline \text{Fully} \\ \text{Insured} \\ \text{Enrolled} \\ \text{Employees} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Applicable} \\ \text{Fully} \\ \text{Insured} \\ \text{payment} \\ \text{rate} \\ \hline \end{array} + \begin{array}{|c|} \hline \text{Self-Funded} \\ \text{Enrolled} \\ \text{Employees} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Applicable} \\ \text{Self-Funded} \\ \text{payment rate} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Large Group} \\ \text{Retention Modifier +} \\ \text{New Case Modifier} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Large Group} \\ \text{Medical Growth} \\ \text{Bonus payment} \\ \hline \end{array}$$

### Provisions below apply to all bonuses described in this flyer:

Bonus offerings are subject to current product availability by state.

All lines of coverage are subject to availability by case size and underwriting approval.

Only Group plans for which base commissions are being charged to the customer and the Agent of Record is receiving base commissions are considered Eligible Cases.

Individual agents or agencies may be obligated to disclose compensation to clients. Because state laws vary, agents should be aware of and comply with applicable state compensation disclosure requirements. Humana is not responsible for providing legal advice to agents. If an agent has a question or concern regarding his/her state's compensation disclosure law, he/she should consult a legal advisor.

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