



Results

2010

Producer performance guide

Texas



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- ▶ **Renewals** – view, download, and print your renewal packages, and generate alternate medical, pharmacy, dental and life plan quotes for your UnitedHealthcare groups with up to 50* eligible employees online. Renewal packages are available three months prior to the policy renewal date and remain online for six months.
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- ▶ **Network resources** – access information on our network of over 606,000 physicians and health care professionals, 5,015 hospitals, and 60,000 pharmacies. Resources include network directories, maps, and local fact sheets that include accreditation and reimbursement methods.
- ▶ **Online commission statements** – access your individual commission statements online anytime, anywhere. Available for those who receive individual commission statements addressed with their individual name.

*The group size available for United eServices resources, including online quoting, may vary from state to state.

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- Eligibility and number of continuing education credits available vary by state.

Our Commitment

UnitedHealthcare is committed to being a reliable source of information, training and broker support. These online resources help brokers gain the knowledge, skills and confidence to keep pace with today's changing health care benefits marketplace. Let us know how we can support you!

*Eligibility and number of continuing education credits available vary by state.

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Web sites

▶ **United eServices®**

Located at **www.UnitedeServices.com**, United eServices is our producer Web site designed to help you meet the demands of your business. Whether you're looking for online quoting, case submission and status, renewals, network information, plan information or commission statements – we've got it at United eServices.

▶ **Employer eServices®**

Located at **www.EmployerServices.com**, Employer eServices helps make benefit administration easy with online: eligibility updates, enrollment, billing and claims reporting.

▶ **Communication Resource Center**

Located through the **links** tab at **www.UnitedeServices.com**. The Communication Resource Center helps benefit administrators communicate important health topics to employees with access to easy-to-use communication templates, tools and resources – you can even build your own employee health care newsletter.

▶ **United Advantage®**

Located at **www.UnitedAdvantage.com**, designed for our United Advantage agencies, this Web site contains tools to help you grow your book of business.

Please refer to the producer compensation policies and practices in the back of this guide for important information. Commissions vary in different areas. Please contact your UnitedHealthcare sales office for base commission schedules for areas not included in this guide.

Terms used in this guide

- ▶ **Agent, agency, broker, producer, you** and **yours** are interchangeable and refer to a licensed agent or agency.
- ▶ **UnitedHealthcare, we, our** or **us** are interchangeable and refer to UnitedHealthcare or associated subsidiaries and affiliates.
- ▶ **Customer, client, group, case** or **policy** are interchangeable and refer to the policyholder or entity purchasing the insurance product.
- ▶ **Enrolled employee, covered employee** and **subscriber** are interchangeable and refer to the employee enrolled for coverage in the insurance plan referenced.
- ▶ **Members** are the employees and their covered dependents enrolled for coverage by the insurance plan referenced.

Area covered by this guide

The bonus programs in this guide apply only to agents with permanent addresses in Texas.

Case size designations

Most of the commission and bonus programs in this guide apply either to groups with “up to 50 eligible employees” or “51 or more eligible employees.” In most situations these labels will coincide with the group’s actual employee count. However, the specific assignment of any group to one of these classifications is based on the employee count at some point in time, and other factors like the rating formula used, our underwriting rules and operating system indicators. Once classified, groups do not automatically change classification if they grow or shrink in employee count. That means that under our business rules, some groups with more than 50 eligible employees will be included in the “up to 50 eligible employees” programs, and some groups with fewer than 51 eligible employees will not. We reserve the right to classify any group in either of these designations according to our rules, regardless of the group’s actual enrollment, or employee count.

Definitions

- ▶ **Writing agent:** a licensed and appointed agent who actually performs the activities related to the solicitation and sale of the insurance plan.
- ▶ **Agent of record:** the agent or agency receiving the commissions on a case, and is interchangeable with the term “payee.”
- ▶ **Consultant:** an entity (person or agency) who is paid a fee directly by the client instead of carrier paid commissions.
- ▶ **Non-commissionable case:** a case where no commissions, or minimal commissions, are paid by the carrier. Such cases are excluded from bonus and recognition programs. In general, a case is considered commissionable when reasonable base commissions are paid to the agent on a fully insured case, or reasonable commissions are paid to the agent on the administrative fee of a self-funded case. Adding minimal or “token” commissions to a case does not make it commissionable, and commissions paid on stop-loss coverage only does not make a case commissionable. UnitedHealthcare reserves the right to determine whether any case is commissionable. Each line of business is considered separately when determining whether a case is commissionable.
- ▶ **Affiliated cases:** some larger employer groups with multiple sites or multiple segments may be divided into several different policies or group numbers. All of these subgroups are combined and considered to be one case for commission and bonus purposes, and in this guide and related documents are sometimes collectively referred to as affiliated cases.

Medical base commissions

for groups with up to 50 eligible employees

This commission schedule is effective for all new UnitedHealthcare and PacifiCare medical groups with up to 50 eligible employees* in Texas with effective dates on or after January 1, 2010.

CASE SIZE	PERCENT OF PAID PREMIUM
1 or more eligible employees	5% of paid premium

How to calculate monthly commissions

The monthly commission payment is calculated by multiplying paid premium for the month by the percentage indicated. For example, if the paid premium for a group in a month is \$10,000, the commissions for that month will be 5% times \$10,000, or \$500.

This commission schedule applies only to medical groups designated by UnitedHealthcare as having up to 50 eligible employees for the area indicated. Commissions vary by area. Please contact your UnitedHealthcare sales office for base commission schedules in other areas. Some medical products may have a specified commission schedule that replace and supersede this schedule.

All UnitedHealthcare commissions and bonus programs are subject to the Agent/Agency Agreement and the policies contained in other sections of this guide. Please refer to that information for complete guidelines related to our producer compensation programs.

*Classification as a group of "up to 50 eligible employees" is determined by us considering a number of factors. Please see Case Size Designations on page 3 for details.

Quarterly Medical Bonus program

for groups with up to 50 eligible employees

UnitedHealthcare will award a bonus to brokers who accumulate blocks of cases with up to 50 eligible employees. Brokers having a minimum of 100 enrolled medical employees in eligible cases on the last day of the calendar quarter, and meet minimum net growth requirements, will qualify for a bonus. The bonus is a percentage of the premiums paid for eligible cases during the quarter. Eligible cases are UnitedHealthcare and PacifiCare medical cases with up to 50 eligible employees* that are active on the last day of the calendar quarter. The Quarterly Medical Bonus tables in this section are effective starting with the first quarter of 2010. The bonus percentage is determined by the number of enrolled medical employees in eligible cases on the last day of the calendar quarter according to this table:

ENROLLED EMPLOYEES IN ELIGIBLE GROUPS WITH UP TO 50 ELIGIBLE EMPLOYEES*	QUARTERLY MEDICAL BONUS PERCENTAGE
100 to 499 enrolled employees	0.50% of quarter's paid premium
500 to 749 enrolled employees	0.75% of quarter's paid premium
750 to 1,249 enrolled employees	1.25% of quarter's paid premium
1,250 to 1,999 enrolled employees	2.00% of quarter's paid premium
2,000 or more enrolled employees	2.50% of quarter's paid premium

Paid premium is premium paid for medical coverage on eligible groups that remain active through the end of the calendar quarter. Premiums paid for cases that cancel or are otherwise removed from the agent's block of business prior to the end quarter are not included in the bonus calculation.

Bonus factors: The bonus you receive will be modified by two of the characteristics of your block of eligible business, as described in the following sections. The final bonus paid will be the premiums paid in eligible cases in the quarter multiplied by the appropriate Quarterly Medical Bonus percentage, then multiplied by the appropriate specialty benefits factor, and then multiplied by the appropriate net growth factor.

Specialty benefits: the bonus you receive will be modified by a factor that is determined by the ratio that results from dividing the number of enrolled employees in dental, life, vision, short-term disability and long-term disability cases with up to 50 eligible employees* (including stand alone cases) by the number of medical enrolled employees in eligible cases, according to the following table.

RATIO OF SPECIALTY BENEFITS ENROLLED EMPLOYEES TO MEDICAL ENROLLED EMPLOYEES IN ELIGIBLE GROUPS	BONUS AMOUNT IS MULTIPLIED BY:
1.0 or more	1.2
0.75 to 0.99	1.1
0.5 to 0.749	1.0
0.25 to 0.49	0.9
Under 0.25	0.8

*Classification as a group with "up to 50 eligible employees" is determined by us considering a number of factors. Please see Case Size Designations on page 3 for details.

Net growth: The bonus you receive will also be modified by a factor determined by the change in the number of enrolled medical employees eligible for the Quarterly Medical Bonus program. In 2010 we are introducing the following changes to the Net Growth Factor:

- We are changing from the current quarter-over-quarter measurement of net growth to a year-over-year measurement. The transition will be phased in by using the December 31, 2009 count of eligible enrolled employees as the baseline for the Net Growth factor for all four quarters in 2010. That means that the first quarter's net change ratio will be based on one quarter's change in enrollment, the second quarter will be based on two quarter's change, and so on.
- We are increasing the maximum Net Growth factor to 1.3 and phasing out the 0.8 Net Growth factor.
- We are increasing the minimum net change percentage required to earn a bonus from 50% to 85%.

The above changes are being phased in during 2010 according to the following table:

FIRST QUARTER 2010 NET CHANGE PERCENT*	BONUS AMOUNT IS MULTIPLIED BY:	SECOND QUARTER 2010 NET CHANGE PERCENT*	BONUS AMOUNT IS MULTIPLIED BY:	THIRD QUARTER 2010 NET CHANGE PERCENT*	BONUS AMOUNT IS MULTIPLIED BY:	FOURTH QUARTER 2010 NET CHANGE PERCENT*	BONUS AMOUNT IS MULTIPLIED BY:
130% or more	1.3	130% or more	1.3	125% or more	1.3	125% or more	1.3
120% to 129.9%	1.2	120% to 129.9%	1.2	115% to 124.9%	1.2	115% to 124.9%	1.2
105% to 119.9%	1.1	105% to 119.9%	1.1	105% to 114.9%	1.1	105% to 114.9%	1.1
95% to 104.9%	1.0	95% to 104.9%	1.0	95% to 104.9%	1.0	95% to 104.9%	1.0
85% to 94.9%	0.9	85% to 94.9%	0.9	85% to 94.9%	0.9	85% to 94.9%	0.9
50% to 84.9%	0.8	70% to 84.9%	0.8	80% to 84.9%	0.8	Under 85%	No Bonus
Under 50%	No Bonus	Under 70%	No Bonus	Under 80%	No Bonus		

* The percentages in the left hand columns above are the total of the enrolled employees in eligible medical cases at the end of the quarter indicated divided by the same count from December 31, 2009.

Quarterly medical bonus example

An agency has 750 enrolled medical employees in cases with up to 50 eligible employees at the end of the fourth quarter 2010, with paid premium during the quarter of \$800,000. The agency had 700 enrolled medical employees on December 31, 2009. The agency also had 600 enrolled employees in UnitedHealthcare's specialty product cases at the end of the current quarter.

How to calculate your quarterly medical bonus

1. Determine bonus level and bonus amount

- The 750 enrolled employees, results in a **1.25% bonus level** (from table on page 5).
- Multiply the paid premium by the **bonus level** (from step 1): $\$800,000 \times 1.25\% = \$10,000$.

2. Determine the ratio of specialty benefits employees to medical employees

- The ratio of **specialty benefits** to medical employees is 0.80 (600 specialty \div 750 medical), which results in a factor from the table on page 5 of 1.1.
- Multiply the **bonus level** amount by the **specialty products sales ratio factor**: $\$10,000 \times 1.1 = \$11,000$.

3. Determine net growth factor and quarterly medical bonus amount

- The **net change** in medical lives from the prior quarter is 107.1% (750 \div 700), which results in a net growth factor of 1.1 (from the table on page 6).
- Multiply the amount from step 2.b by the **net growth factor**: $\$11,000 \times 1.1 = \$12,100$ (total bonus paid).

*Classification as a group with "up to 50 eligible employees" is determined by us considering a number of factors. Please see Case Size Designations on page 3 for details.

Medical growth bonus

for groups with 51 or more eligible employees

UnitedHealthcare offers a bonus to brokers who grow blocks of medical business with 51 or more eligible employees.* Brokers having a minimum of two such cases with a combined total of 500 or more enrolled medical employees on January 1, 2011 are eligible for a bonus. The bonus is determined by the size and net change in the block of eligible business during the bonus period of January 2, 2010 through January 1, 2011. A net change percentage of at least 95 percent during the bonus period is required to earn a bonus.

Eligible cases are commissionable medical cases with 51 or more eligible employees having effective dates on or before January 1, 2011. Both fully insured and self-funded cases (including UMR cases) are eligible for the bonus program, regardless of where the case is located. Non-commissionable cases and some governmental entity cases are not eligible for this bonus program. The actual enrolled medical employee counts (up to the case cap) for eligible cases will be used in the bonus calculations. Changes in enrollment within the eligible groups due to hiring and terminations will be reflected in the bonus.

The total of enrolled medical employees in eligible cases as of January 1, 2011 will determine the initial bonus tier to be used in the bonus calculation, according to the following table.

TOTAL NUMBER OF ENROLLED MEDICAL EMPLOYEES IN ELIGIBLE GROUPS WITH 51 OR MORE ELIGIBLE EMPLOYEES ON JANUARY 1, 2011	INITIAL BONUS FOR EACH FULLY INSURED ENROLLED EMPLOYEE*	INITIAL BONUS FOR EACH SELF-FUNDED ENROLLED EMPLOYEE WITH SPECIFIC STOP-LOSS*	INITIAL BONUS FOR EACH SELF-FUNDED ENROLLED EMPLOYEE WITHOUT SPECIFIC STOP-LOSS*
500 to 999 enrolled employees	\$8	\$3	\$1
1,000 to 1,999 enrolled employees	\$10	\$4	\$2
2,000 to 3,999 enrolled employees	\$12	\$5	\$3
4,000 or more enrolled employees	\$14	\$6	\$4
Fewer than 500 enrolled employees	No Bonus	No Bonus	No Bonus

*In eligible cases up to the cap of 1,000 employees per case. A minimum of two eligible cases is required to qualify for this bonus.

Case cap: the number of employees included in the bonus calculation for any case or affiliated cases is capped at 1,000. This cap applies to the determination of the payment tiers in the table on page 7 and to the calculation of the bonus payable. In situations where commissions on the case are split between more than one Agent of Record, the case cap will be applied before the credit for the case is allocated for the bonus calculations.

Specific stop-loss: The specific stop-loss coverage on the eligible medical case must be provided by UnitedHealthcare or a UnitedHealthcare subsidiary in order to be eligible for the bonus payment amounts in the "Initial Bonus for Each Self-Funded Enrolled Employee with Specific Stop-Loss" column.

*Classification of a group with "51 or more eligible employees" is determined by us considering a number of factors. Please see Case Size Designations on page 3 for details.

The bonus schedules in this guide apply only to agents in the area indicated on page 3, and only to group sizes indicated. Please refer to the Producer Compensation Policies and Practices in this guide for complete guidelines related to our agent compensation programs.

Bonus adjustment for net change percentage: brokers must end the bonus period with at least 95 percent of the number of enrolled medical employees they had in eligible cases on January 1, 2010 to receive a bonus. Higher net change results in higher bonus payments. Brokers who have over 2,000 enrolled medical employees in eligible cases on January 1, 2011 have a different net change schedule than those with 500 to 1,999 employees. The initial bonus amount is modified by the change in enrolled medical employees in eligible cases during the bonus period of January 2, 2010 to January 1, 2011, according to the following table.

NET CHANGE SCHEDULE FOR AGENTS WITH 500 TO 1,999 ENROLLED MEDICAL EMPLOYEES IN ELIGIBLE GROUPS AS OF JANUARY 1, 2011*

Percentage of Covered Employees in Eligible Cases on January 1, 2011 Compared to January 1, 2010	Percent of Initial Bonus Amount Paid
95% to 99.9%	50%
100% to 109.9%	100%
110% to 124.9%	125%
125% or higher	150%
Below 95%	No Bonus

NET CHANGE SCHEDULE FOR AGENTS WITH 2,000 OR MORE ENROLLED MEDICAL EMPLOYEES IN ELIGIBLE GROUPS AS OF JANUARY 1, 2011*

Percentage of Covered Employees in Eligible Cases on January 1, 2011 Compared to January 1, 2010	Percent of Initial Bonus Amount Paid
95% to 99.9%	50%
100% to 104.9%	100%
105% to 114.9%	125%
115% or higher	150%
Below 95%	No Bonus

*The case count is not capped for determining which net change schedule is used. For all other calculations the case count is capped at 1,000 enrolled employees.

Agent of Record (AOR) changes: cases that are removed from the agency's block of eligible business due to an AOR change during the bonus period will be removed from the initial enrollment count (and therefore will not count against the agency) unless the group cancels at the time of the AOR change. Cases that are acquired by the agency due to an AOR change during the bonus period will be included in both the beginning and ending count for all bonus calculations.

Example: if an agency has 1,700 eligible enrolled medical employees in eligible cases on January 1, 2010 and five eligible cases with 2,100 eligible enrolled employees (1,200 fully insured and 900 self-funded with specific stop-loss) on January 1, 2011, they would receive a bonus calculated as follows:

Net change calculation

JANUARY 1, 2010 ELIGIBLE ENROLLED MEDICAL EMPLOYEE COUNT	JANUARY 1, 2011 ELIGIBLE ENROLLED MEDICAL EMPLOYEE COUNT	NET CHANGE PERCENT
1,700	2,100	123.5%

Bonus payment calculation

FUNDING TYPE	CAPPED EMPLOYEE COUNT*	BONUS RATE PER EMPLOYEE	INITIAL BONUS AMOUNTS
Fully Insured	1,200	\$12	\$14,400
Self-funded with specific stop-loss	900	\$5	\$4,500
Self-funded without specific stop-loss	0	\$3	\$0
Total Initial Bonus:			\$18,900
Percent of Initial Bonus Paid (From Net Change Table at 123.5%):			150%
Net Bonus Payable (Initial Bonus Multiplied By Net Growth Modifier):			\$28,350

*Note: the maximum number of employees used in the payment tier determination and the calculation of the bonus payment for any case or affiliated cases is 1,000.

All bonus compensation will be reported as required for regulatory requirements.

Non-commissionable cases and some governmental entity cases are not eligible for any bonus program. Special rules apply to payment of bonuses for Governmental Entity customers. We require written customer acknowledgment and approval before paying bonuses on Governmental Entity cases with 51 or more eligible employees. Refer to Producer Compensation Policies and Practices in this guide for additional policies and more information.

Specialty Benefits

for groups with up to 50 eligible employees

Group Term Life and AD&D base commissions

10% of paid premium

Dental base commissions

DENTAL ANNUAL PREMIUM*	COMMISSION RATE
For the first \$10,000 of paid premium in a plan year	10% of paid premium
For the next \$15,000 of paid premium in a plan year	7.5% of paid premium
For the next \$15,000 of paid premium in a plan year	5% of paid premium
For the next \$20,000 of paid premium in a plan year	2.5% of paid premium
For paid premium over \$60,000 in a plan year	1.5% of paid premium

*This schedule is applied on a per case basis. The schedule is applied to each dental case starting at the top of the schedule on the original effective date or renewal date.

Vision base commissions

10% of paid premium

Short-Term and Long-Term Disability base commissions

DISABILITY ANNUAL PREMIUM*	COMMISSION RATE
For the first \$15,000 paid premium in a plan year	15% of premium
For the next \$10,000 paid premium in a plan year	10% of premium
For the next \$25,000 paid premium in a plan year	5% of premium
For paid premium over \$50,000 in a plan year	1% of premium

*This schedule is applied on a per case basis. The schedule is applied to each disability case starting at the top of the schedule on the original effective date or renewal date.

Commissions for Specialty Benefit groups with 51 or more eligible employees may be established at the request of the agent or customer. The above schedules will apply if an alternative schedule is not requested.

Classification of a group with "up to 50 eligible employees" is determined by us considering a number of factors. Please see Case Size Designations on page 3 for details.

Specialty Benefits new business bonus

You may earn a bonus for selling group term life, group dental, group short-term disability, group long-term disability, group vision, and group critical illness insurance for groups with two or more eligible employees during 2010. Both employer-paid and employee-paid cases sold with medical coverage or on a stand alone basis are included in the bonus program. You must sell at least ten new lines of coverage having a combined minimum of \$75,000 in annualized premium and fees to qualify for this bonus program. The maximum Specialty Benefits new business bonus paid on any line of coverage within any one case or affiliated cases is \$5,000. If all of the bonus requirements are met, the bonus is paid according to the following table:

SPECIALTY BENEFITS NEW LINES OF COVERAGE AND PREMIUM REQUIREMENTS*	BONUS ON ANNUALIZED PREMIUM AND FEES*
10 lines of coverage with a combined minimum of \$75,000 in annualized premium and fees*	2%
15 lines of coverage with a combined minimum of \$75,000 in annualized premium and fees*	3%
20 lines of coverage with a combined minimum of \$75,000 in annualized premium and fees OR 10 lines of coverage with a combined minimum of \$500,000 in annualized premium and fees*	4%
25 lines of coverage with a combined minimum of \$75,000 in annualized premium and fees OR 10 lines of coverage with a combined minimum of \$750,000 in annualized premium and fees*	5%
30 lines of coverage with a combined minimum of \$75,000 in annualized premium and fees OR 10 lines of coverage with a combined minimum of \$1,000,000 in annualized premium and fees*	6%

*In eligible lines of coverage with effective dates during 2010. Annualized premium or fees for this bonus is equal to the December 2010 premium or fees of eligible cases multiplied by 12.

Specialty Benefits new business bonus details:

- You must sell at least ten eligible lines of coverage with original effective dates from January 1, 2010 through December 31, 2010 having a combined minimum of \$75,000 in annualized premium and fees in order to qualify for the Specialty Benefits new business bonus. The Specialty Benefits new business bonus is paid only on premium and fees for lines of coverage that had original effective dates during 2010, are active on December 31, 2010, and meet all other eligibility requirements.
- An eligible line of coverage for the Specialty Benefits new business bonus is group term life, group dental, group short-term disability, group long-term disability, group vision, and group critical illness insurance product in a group of two or more eligible employees that has an original effective date from January 1, 2010 through December 31, 2010. An eligible line of coverage can be sold with medical coverage or on a stand alone basis. Both employer-paid and employee-paid lines of coverage are eligible. Life and voluntary life sold to the same customer are combined as one line of coverage.
- An eligible line of coverage must be in an eligible group. Non-commissionable cases, OptumHealth Private Label vision, and some Governmental Entity cases are not eligible for any bonus programs. UnitedHealthcare has sole discretion in determining whether a line of coverage is eligible for any bonus program. The lines of coverage and premium or fees of ineligible cases are not included towards the minimum line of coverage requirements, the premium or fee requirements, or any other requirements or calculations related to any Specialty Benefits bonus.

- For dual or multiple broker arrangements, line of coverage credit and premium or fee credit will be allocated in the same proportion as the commissions are split on the case. Fractional credits will be used in the calculation, and credits will not be rounded to the nearest integer.
- Special rules apply to payment of bonuses for Governmental Entity customers. We require written customer acknowledgment and approval before paying bonuses on Governmental Entity cases with 51 or more eligible employees. Refer to Producer Compensation policies and procedures for Governmental Entities in this guide for additional policies and more information.
- An agent or agency can only qualify for one Specialty Benefits new business bonus. The lines of coverage sold and minimum annualized premium or fees within any row must both be met to qualify for a row in the bonus table. The bonus will be paid at the highest bonus percentage where both the lines of coverage and annualized premium or fees criteria are met. The rows in the table are not combined to determine the bonus payable. If an agent meets the qualifications in more than one row in the table, only the bonus for the row paying the highest bonus amount will be paid.
- Annualized premium or fees for this bonus are defined as the December 2010 premium or fees of the eligible cases multiplied by 12.
- The maximum Specialty Benefits new business bonus paid on any line of coverage within any one case or affiliated cases is \$5,000. In situations where commissions on the case are split between more than one Agent of Record, the maximum bonus limit will be applied before the bonus is allocated to the Agents of Record.

Bonus calculation: The new business bonus for Specialty Benefits is calculated by totaling eligible lines of coverage and the annualized premium and fees for those eligible lines of coverage to determine the bonus tier from the Specialty Benefits new business bonus payment table. The percentage in that tier is then multiplied by the annualized premium and fees in eligible lines of coverage to determine the bonus paid.

Example 1: An agency has 16 new lines of coverage and annualized premium and fees in eligible products of \$200,000. That results in a bonus of 3% of the eligible premium and fees, and the bonus payable is 3% of \$200,000, or \$6,000.

Example 2: An agency has 10 new lines of coverage and annualized premium and fees in eligible products of \$550,000. That results in a bonus of 4% of the premium and fees, and the bonus payable is 4% of \$550,000, or \$22,000.

Specialty Benefits retention bonus

You may earn a bonus for renewing group term life, group dental, group short-term disability, group long-term disability, group vision, and group critical illness insurance for groups with two or more eligible employees having renewal dates from January 1, 2010 through December 31, 2010. Both employer-paid and employee-paid cases sold with medical coverage or on a stand-alone basis are included in the bonus program. You must have a minimum of 15 eligible lines of coverage having a combined minimum of \$75,000 in annualized premium on December 31, 2009, have premium persistency of at least 85%, and qualify for the 2010 Specialty Benefits new business bonus to qualify for this bonus. Alternatively, you may also qualify for this bonus if you have 15 eligible lines of coverage having a combined minimum of \$75,000 in annualized premium on December 31, 2009, premium persistency of 85%, and net change in Specialty premium of at least 100%. The maximum Specialty Benefits retention bonus paid on any line of coverage within any one case or affiliated cases is \$5,000. The bonus percentage is determined according to the following table if all of the qualifying criteria in any row of the table are met:

New business or net change qualification	As of December 31, 2009		Premium retention percentage	Bonus on annualized premium and fees*
	Minimum coverages	Minimum premium		
Earned 2010 Specialty Benefits New Business Bonus	15	\$75,000	85% to 89.99%	1%
	15	\$75,000	90% - 94.99%	2%
	15	\$75,000	95% or greater	3%
	50	\$75,000	85% to 89.99%	2%
	50	\$75,000	90% - 94.99%	4%
	50	\$75,000	95% or greater	6%
Net change in premium of 100% or greater	15	\$75,000	85% or greater	1%
	50	\$75,000	85% or greater	2%
Neither of the above				No bonus
Fewer than 15 lines and combined minimum of \$75,000 in annualized premium				No bonus

* In eligible lines of coverage with effective dates during 2010. Annualized premium or fees for this bonus is equal to the December 2010 premium or fees of eligible cases multiplied by 12. If an agent meets the qualification requirements in more than one row in the table, only the bonus for the row paying the highest bonus amount will be paid.

Specialty Benefits retention bonus details:

- You must have at least 15 eligible lines of coverage having a combined minimum of \$75,000 in annualized premium on December 31, 2009 and a minimum retention percentage of 85% in order to qualify for the Specialty Benefits retention bonus. The Specialty Benefits retention bonus is paid only on premium and fees for lines of coverage that had renewal dates during 2010, are active on December 31, 2010, and meet all other eligibility requirements.
- An eligible line of coverage for the Specialty Benefits retention bonus is group term life, group dental, group short-term disability, group long-term disability, group vision, and group critical illness insurance product in a group of two or more eligible employees that is active on December 31, 2009 and that has a renewal date from January 1, 2010 through December 31, 2010. An eligible line of coverage can be associated with medical coverage or exist on a stand alone basis. Both employer-paid and employee-paid lines of coverage are eligible. Life and voluntary life sold to the same customer are combined as one line of coverage.
- An eligible line of coverage must be in an eligible group. Non-commissionable cases, OptumHealth Private Label vision, and some Governmental Entity cases are not eligible for any bonus programs. UnitedHealthcare has sole discretion in determining whether a line of coverage is eligible for any bonus program. The lines of coverage and premium or fees of ineligible cases are not included towards the minimum line of coverage or premium requirements, or any other requirements or calculations related to any Specialty Benefits bonus.

- For the Specialty Benefits retention bonus, “retention percentage” is the December 2010 premium and fees of lines of coverage eligible for the 2010 Specialty Benefits retention bonus divided by the December 2009 premium and fees of lines of coverage eligible for the 2010 Specialty Benefits retention bonus. “Retention percentage” incorporates only lines of coverage that were active on December 31, 2009 and renew or terminate during 2010, and does not include any new lines of coverage sold during 2010.
- For the Specialty Benefits retention bonus, “net change in Specialty premium” is the December 2010 premium and fees for all active lines of coverage eligible for either the 2010 Specialty Benefits retention bonus or the 2010 Specialty Benefits new business bonus divided by the December 2009 premium and fees for all lines of coverage eligible for the 2010 Specialty Benefits retention bonus. “Net change in Specialty premium” reflects the impact of new lines of coverage sold during 2010 as well as terminations that occur during 2010.
- For dual or multiple broker arrangements, line of coverage credit and premium or fee credit will be allocated in the same proportion as the commissions are split on the case. Fractional credits will be used in the calculation, and credits will not be rounded to the nearest integer.
- Special rules apply to payment of bonuses for Governmental Entity customers. We require written customer acknowledgment and approval before paying bonuses on Governmental Entity cases with 51 or more eligible employees. Refer to Producer Compensation policies and procedures for Governmental Entities in this guide for additional policies and more information.
- An agent can only qualify for one Specialty Benefits retention bonus. All of the qualifying criteria in any row of the Specialty Benefits retention bonus payment table must be met in order to qualify for the bonus. If an agent meets the qualifications in more than one row in the table, only the bonus for the row paying the highest bonus amount will be paid.
- Annualized premium or fees for this bonus are defined as the December premium or fees of the eligible cases multiplied by 12.
- The maximum Specialty Benefits retention bonus paid on any line of coverage within any one case or affiliated cases is \$5,000. In situations where commissions on the case are split between more than one Agent of Record, the maximum bonus limit will be applied before the bonus is allocated to the Agents of Record.

Bonus calculation: If all the qualifying criteria for any row in the Specialty Benefits retention bonus payment table are met, the bonus percentage in that row is then multiplied by the December 2010 annualized premium and fees in the eligible, active renewed lines of coverage to determine the bonus paid.

Example 1: An agency has 15 eligible lines of coverage on December 31, 2009 having renewal dates during 2010. The annualized premium and fees of these 15 lines of coverage is \$206,000 on December 31, 2009 and \$200,000 on December 31, 2010. That means the retention percentage for the agent is \$200,000 divided by \$206,000, or 97.1%. The agency also earns a 2010 Specialty Benefits new business bonus. The agent has met all the qualifying criteria, and according to the bonus table qualifying for the new business bonus with 15 lines of coverage, \$75,000 in annualized premium, and retention percentage of 97.1% results in a bonus of 3% of the annualized eligible December 2010 premium and fees. The agent receives a bonus of 3% times \$200,000, or \$6,000.

Example 2: An agency has 55 eligible lines of coverage renewing during 2010. The agency does not earn a 2010 Specialty Benefits new business bonus, but has \$543,000 in annualized premium and fees in the 55 eligible lines of coverage on December 31, 2009 and \$550,000 in annualized premium and fees in all eligible Specialty lines of coverage (including new sales during 2010) on December 31, 2010. This gives the agent a “net change in Specialty premium” of \$550,000 divided by \$543,000, or 101.3%. The renewing lines of coverage had annualized premium and fees of \$500,000 in December 2010, which means the agency has a retention percentage of 92.1% (\$500,000 divided by \$543,000). The agent has met all the qualifying criteria, and “net change in Specialty premium” of 101.3% plus 55 eligible lines of coverage, \$75,000 in annualized premium, and retention percentage of 92.1% results in a bonus of 2% of the annualized eligible premium and fees in the renewing cases. The agent receives a bonus of 2% of \$500,000, or \$10,000.

Producer compensation policies and practices

(Please also refer to the definitions of key terms on page 3.)

Only agents and agencies permanently located in the area for which this guide is written are eligible for the bonus, recognition and other programs described in this guide.

Agents and agencies who sell products offered by UnitedHealthcare and related companies must have a written agreement with us, and be appropriately licensed and appointed in the states where they solicit or sell our products. Producers must maintain active licenses and appointments in the appropriate states, and remain in good standing with us, to receive commissions and participate in bonus and recognition programs. No compensation will be paid on any case for any period where the Writing Agent or Agent of Record is not licensed and appointed in the state where the case is issued. No retroactive commissions will be paid for cases where commissions were forfeited due to lack of licensing and appointment.

UnitedHealthcare complies with all applicable state and federal regulations with regard to producer compensation. All producer compensation will be reported as required for federal, state and local income taxes. All producer compensation, including bonus compensation, may be subject to reporting to meet other regulatory requirements, including (but not exclusively) reporting of commissions, bonuses, overrides and other compensation associated with ERISA groups (Form 5500, Schedules A or C). UnitedHealthcare will be the sole arbiter as to whether, and to what extent, compensation is subject to reporting under these regulations.

The terms of the UnitedHealthcare Agent/Agency Agreement apply to all commission, bonus and recognition programs. Agents and agencies are responsible for complying with all applicable state and federal statutes and regulations related to the sale of our products.

UnitedHealthcare may modify any base commission at any time for any reason with notice as specified in the Agent/Agency Agreement. UnitedHealthcare may modify or terminate any or all bonus, overrides or recognition programs at any time and for any reason without prior notice, unless state law prohibits such a change.

Business practices

UnitedHealthcare is committed to ethical business practices and full disclosure of our producer compensation to customers. We believe that our programs provide fair compensation for the value that our appointed agents and agencies bring to customers and UnitedHealthcare. UnitedHealthcare believes in “fully transparent” producer compensation, which means that customers have the right to know what their agent or consultants are being paid for servicing their UnitedHealthcare products. We encourage our producers to share their compensation arrangements with their customers. Our Agent/Agency Agreement and our compensation policies require disclosure to customers when required by law and provide discretion for us to disclose compensation as we deem appropriate.

Disclosure of producer compensation: UnitedHealthcare is committed to greater customer awareness of the compensation being paid to producers for selling our products. Basic information about UnitedHealthcare's producer compensation programs is included in our proposals. Additional general information is included in our employer application, administrative service agreements, and on our employer internet site.

Customer specific compensation disclosure: the specific compensation paid to a producer for the solicitation or sale to employer groups covered by Employment Retirement Income Security Act (ERISA) is reported in the Form 5500 (Schedules A or C) sent to those customers. The compensation reported includes base commissions, bonuses, overrides and certain non-monetary compensation. Beyond this regulated reporting, we believe that the primary source of specific information regarding compensation is the producer receiving the compensation. We encourage customers to ask their agents about their compensation and we encourage our agents to inform their customers about their compensation.

Customers who inquire about the specific compensation paid on their policies will initially be directed to their producer. If a customer continues to request that we supply this information to them directly, we will honor that request and disclose base commissions, bonuses, overrides and certain non-monetary compensation paid on the case. All customers have access to this information, regardless of case size or business type. Such requests must be in writing by an authorized representative of the customer.

Written customer acknowledgements: UnitedHealthcare may require specific customer acknowledgment and approval for certain compensation arrangements, as detailed in other sections of this guide. We reserve the right, at our sole discretion, to request written customer acknowledgment and approval, and to establish the form of such acknowledgment, for any compensation that we pay. Some state laws require that a producer obtain written customer acknowledgment of compensation received from an insurer if the producer is also receiving compensation from the customer. UnitedHealthcare expects producers to know and comply with such laws, including any requirements as to when the customer acknowledgment must be obtained.

Bid rigging or other unfair bidding practices are not tolerated: UnitedHealthcare's business practices and various laws and regulations prohibit any activities that manipulate proposals in coordination with competitors in a manner contrary to the customer's interests. Bid rigging involves trading business with competitors through the manipulation of premiums, fees or products to produce a quote that is intentionally higher or less favorable to a prospective customer, or is in any way designed to provide a false appearance of competition.

It is UnitedHealthcare's policy to always present a legitimate quote to the producer, consultant or customer. We will never condone or allow a producer to coordinate pricing with another carrier in a way that gives one of the carriers a competitive edge, or prevents the best price from being presented to the customer. If you suspect someone is attempting to rig a bid or otherwise inappropriately steer business, report the situation to UnitedHealthcare's legal department immediately.

Note that bid rigging or steering generally involves coordination with other carriers. A situation where we present our best premium rate or fee to a producer or customer, even though we do not expect that the rate will be competitive, is not bid rigging. It is also permissible to lower quoted premiums if we receive additional underwriting information, to match competitor pricing, or as the result of negotiation with the customer.

Base commissions

Base commission schedules for groups with up to 50 eligible employees may vary from market to market. The base commission schedule used for a single site case is the schedule in effect for the county in which the policy is issued. If there are multiple sites associated with a case, the commission schedule used will be that of the base location as determined by us. Special rules regarding multiple sites cases may apply in some areas. In most situations, the number of enrolled employees for all locations will be used to determine the tier that establishes the commission rate. However, the regulations in certain states may result in the isolation of the enrolled employee count for locations within that state. In such instances, the commissions for such locations may be calculated independently based on the enrolled employee count for that state only, and these employees will be excluded from the counts in other locations.

The base commission tier for groups with up to 50 eligible employees in states where a published “tiered” commission schedule applies will be set using an initial or renewal enrolled employee count at a time of our choosing. Usually, the tier will be established using the enrolled employee count at the time of the first month’s bill for new groups, and the billed count for the first month of a renewal year, but this may vary at our discretion. The enrolled employee count for customers with multiple sites may be re-established every time an affiliated site is added or removed during the contract year.

Base commission for groups with 51 or more eligible employees are established by the customer, subject to UnitedHealthcare’s agent compensation policies and state regulations. When the customer does not give specific instructions, base commissions for groups with 51 or more eligible employees are established by mutual agreement between UnitedHealthcare and the agent in accordance with our policies and state regulations. Premium rates for group with 51 or more eligible employees will vary to reflect the commission included in the proposal. Agents and customers may request that no commissions be paid for groups with 51 or more eligible employees. If an existing customer with 51 or more eligible employees requests a reduction or elimination of commissions we will comply with the request and reduce premium, and reduce or eliminate commissions, in accordance with the request and our policies. If an existing customer with 51 or more eligible employees requests an increase in commissions, the higher commissions will not be paid until premiums are increased to cover the cost of the additional commissions. UnitedHealthcare reserves the right to limit the amount of commissions that can be paid on any case. UnitedHealthcare may require written acknowledgement by an authorized representative of a customer of the specific commission arrangement on any case at any time.

Medical commission limits for groups with 51 or more eligible employees: UnitedHealthcare requires written customer approval before paying commissions on fully insured medical groups that are higher than seven percent for groups from 51 to 99 eligible employees, and higher than six percent for groups with 100 or more eligible employees. The written customer acknowledgement helps to assure that all parties are aware of and agree to the commission level. The written customer acknowledgment must be submitted to UnitedHealthcare underwriting and accepted by UnitedHealthcare to receive a proposal. A written customer acknowledgement must also be obtained at each renewal for existing cases where commissions are above these limits. A sample customer acknowledgment letter may be obtained from your UnitedHealthcare representative.

Case size segment assignment: most of the commission and bonus programs in this guide and related communications apply either to groups with up to 50 eligible employees or 51 or more eligible employees. In most situations these labels will coincide with the group’s actual eligible employee count. However, the specific assignment of a group to any of these classifications is based on the employee count at some point in time, and other factors like the rating formula used, our underwriting rules and operating system indicators. Once classified, groups do not automatically change classification if they grow or shrink in enrollment or employee count. That means that under our business rules, some groups with more than 50 eligible employees will be included in the up to 50 eligible employees programs, and some groups with fewer than 51 eligible employees will not be. We reserve the right to classify any group in any case size designation at our discretion, regardless of the group’s actual enrollment.

Repayment and recovery of commission, override and bonus errors: UnitedHealthcare will not adjust any commission, override or bonus payments to an agent, agency or general agent except with respect to payments made within two years prior to the date of the adjustment. In this regard, neither an agent, agency, general agent nor UnitedHealthcare may assert a claim against the other relating to incorrect commission, override or bonus payments, unless such claim is made, and the resulting adjustment is commenced, within two years of the date of the incorrect commission or override payments. UnitedHealthcare maintains the right to recover payments by reducing any amounts owed to the broker, including all commission, override, and bonus payments.

Enrollment count and premium adjustments: retroactive changes to employee counts or premiums will be applied at the commission rate that was in effect for the month the adjustment was made.

Delinquent premium: no commissions are payable for any premium collected by a third party collection agency, through a court judgement, or similar process.

Commissions on groups with Packaged Savings®: the premium used to calculate percent of premium-based commissions for groups receiving Packaged Savings is reduced by the Packaged Savings administrative credit in order to accurately reflect actual premium received.

Agent of Record (AOR) changes: commissions and bonuses will be paid only to the licensed and appointed AOR assigned to the case by the customer and accepted by us. UnitedHealthcare reserves the right to accept or reject, at our sole discretion, requests to change the AOR assigned to a case and direct commissions and bonus payments to another AOR. All requests to change AOR assignments must be made in writing by the customer in a form approved by us.

UnitedHealthcare believes that the customer has the right to designate and change their AOR, so we will accept such requests provided that the proposed agent is properly licensed and appointed with us. Our policy is to accept requests to change AOR if the request is made in writing by an authorized representative of the customer. The request must be made in the form of a letter, on the customer's letterhead, directed to UnitedHealthcare (not the new AOR) that: designates the new Writing Agent and AOR (using the name by which they are appointed by us), specifies the lines of coverage impacted; and states that the customer's instructions to name a new AOR supersedes other designations, and terminates commissions and other payments to any prior agent. If we accept the customer's request, the AOR change will be implemented at a time of our choosing, usually in the month following our receipt of the request. As a courtesy, and at our discretion, we may advise the current AOR of the receipt of the request to remove them from the case.

Properly executed AOR change request letters should be submitted directly to one of the following:

By fax: **1-860-702-6807**

By email: **agtcomp@uhc.com**

By United States Postal Service mail: **UnitedHealthcare
Broker Commissions
450 Columbus Blvd.
9NB-CT030
Hartford, CT 06103**

If a producer becomes appointed as AOR for cases where there is no current agent, UnitedHealthcare will not pay commissions until commissions are added to the fully insured premium rate or self-funded fee. The change in premium can occur at the next renewal, or the customer may approve (in writing) a change in premium rates off-renewal to accommodate the compensation. If we recognize a new AOR on a case where no commissions are being paid, we will not pay commissions on the case until commissions are added to the fully insured

premium rate or self-funded fee. If we recognize a new AOR on a commissionable case with 51 or more eligible employees, and the new AOR requests an increase in commissions in writing, we will not pay the higher commissions until the additional commissions are added to the fully insured premium rate or self-funded fee. The change in premium can occur at the next renewal, or the customer may approve a change in premium in writing off-renewal to accommodate the compensation. If we recognize a new AOR on a commissionable case with 51 or more eligible employees, and the new AOR requests a decrease in commissions in writing, we will reduce the commissions and the fully insured premium rate or self-funded fee when the change can be processed, without waiting for the next renewal date.

The policyholder is always the ultimate authority in designating an AOR for their case. However, absent other instructions from the customer, a current AOR may designate a new AOR by requesting such a change in writing. If the current AOR is an agency, the person requesting such a change must certify that they are authorized to make such a request on behalf of the agency.

Assignment: an Agent of Record (AOR) may appoint another agent or agency (the assignee) to receive the commissions on all of their cases through assignment. Such an assignment of commissions is irrevocable, and all rights to further assignment of commissions on the assigned cases will be granted only to the agent or agency to whom the commissions are assigned. The assignee must be licensed and appointed by UnitedHealthcare and legally able to receive commissions. We reserve the right to reject any request for assignment. An agent may rescind their assignment at anytime, but the rescission will only apply for cases written after the effective date of the rescission.

Commissions differentiated by length of coverage: for commission structures that are differentiated by the length of time the case has had coverage with us, “first year” commissions are paid for a period from the original effective date up to the first renewal date. The commission rates for “subsequent years” or “renewal years” are paid for all months starting on and following the first renewal date. The subsequent year or renewal year commission classification will apply as long as the company has continuing coverage, even if the policy undergoes a change in coverage, reinstatement, transfer to another operating platform, or is transferred to another UnitedHealthcare or UnitedHealth Group operating company.

Commissions differentiated by product: commission schedules may apply to a specific product or set of products within a product line. UnitedHealthcare has sole discretion to classify a product and assign commission schedules to a product. The commission schedule for groups that convert from one product to another will be changed at the time of the product conversion. No commissions are paid on policies converted to individual policies and certain government continuation policies.

Restrictions on the use of Health Reimbursement Accounts (HRA) or self-funded plans with UnitedHealthcare medical policies: UnitedHealthcare prohibits the solicitation or sale of its medical products for use in conjunction with Health Reimbursement Accounts (HRA) or self-funded plans unless the UnitedHealthcare medical product is specifically designed for such use. Where permitted by law, UnitedHealthcare reserves the right to eliminate commissions on UnitedHealthcare and affiliate medical products that were not specifically designed for use with an HRA or self-funded plan if it determines that an agent has sold such a product for use with an HRA or self-funded plan. Where permitted by law, we will recover commissions paid on any UnitedHealthcare and affiliate medical products for any period of time that an HRA or self-funded plan was in force in violation of this policy.

Producer compensation policies and procedures for governmental entities

Special rules apply to payment of monetary compensation (including commissions, bonuses, and overrides) and non-monetary rewards to producers who solicit and sell UnitedHealthcare coverage or services to tax-supported or government-related customers, referred to as Governmental Entities in our Agent/Agency Agreement and throughout this guide. Customers considered Governmental Entities include (but are not limited to) villages, townships, cities, counties, states, public school districts, government-sponsored boards and districts, and similar entities. UnitedHealthcare has sole discretion in determining whether a customer is a “governmental entity.”

Producers accepting compensation directly from, or acting as consultants to, governmental entities must have written customer acknowledgement: a producer who accepts a consulting fee or other compensation directly or indirectly from a governmental entity must provide UnitedHealthcare with written customer approval before they may receive any commissions, bonuses, overrides, non-monetary rewards or other compensation from UnitedHealthcare on that case. This approval must follow the template available for this purpose, and must be signed by an official authorized to sign legal documents for the governmental entity. This policy also applies to anyone acting as a consultant for a governmental entity whether or not the governmental entity compensates the consultant. This policy applies to all case sizes (including groups with up to 50 eligible employees) and funding types.

A producer who has accepted a consulting fee from a governmental entity may wish to terminate their status as “consultant” for that customer. This can only be done with written permission from UnitedHealthcare, and after a thorough review of the specific circumstances of the case. If a change in status is allowed, it can only be implemented if the governmental entity signs an acknowledgement and approval document (provided by UnitedHealthcare) granting permission for such a change.

UnitedHealthcare strictly adheres to producer compensation limits established by the request for proposal or bid specifications for governmental entities with 51 or more eligible employees: the Request for Proposal, bid specifications or other written instructions for some governmental entities with 51 or more eligible employees specify or limit the amount of compensation that may be paid to the producer. If a limit on compensation is established, those limits cannot be exceeded. If compensation is paid in the form of commissions, no separate additional compensation in any form, such as overrides or bonuses, may be paid to the producer where the total of such amounts, together with the commissions, would exceed the customer’s limitations.

Customer acknowledgement and approval is required to pay any bonuses or overrides on governmental entity business with 51 or more eligible employees: to assure that governmental entities have an opportunity to understand the compensation being paid on their case, we require written customer approval before paying bonuses and/or overrides on governmental entity cases of 51 or more eligible employees. Even with customer acknowledgement, eligibility for bonuses is subject to acceptance by UnitedHealthcare. No bonuses or overrides will be paid on governmental entity business groups of 51 or more eligible employees without the approval of UnitedHealthcare, and written acknowledgment and approval for the payment by an authorized representative of the customer. This acknowledgment and approval must follow the template available for this purpose, and must be signed by an official authorized to sign legal documents for the governmental entity. As a reminder, non-commissionable cases are not eligible for any override or bonus program.

Governmental entity cases with up to 50 eligible employees: if a governmental entity case is classified by us as a case with up to 50 eligible employees and standard commissions are paid, the case is eligible for published bonus programs with up to 50 eligible employees. Such cases are quoted and placed with the assumption that no special compensation considerations will be granted. However, even for these cases, if the producer accepts any compensation directly from or acts as the consultant to the governmental entity, no compensation of any type can be paid to the producer without written customer acknowledgement and approval. You are responsible for notifying us that you are receiving this compensation or otherwise acting as a consultant to a governmental entity. You may not accept such compensation if the terms of your agreement with the governmental entity prohibit the payment of such compensation. You are responsible for notifying us of your inability to accept such compensation.

General policies for bonus and recognition programs

UnitedHealthcare's bonus programs may vary from market to market. Some bonus programs are available only in certain locations. The programs in this guide apply only to agents and agencies who are permanently located in the area covered by this guide. All of the eligible business written and renewed by an agent or agency is included in the bonus calculation, regardless of the location of the group, unless excluded by the specific program rules, our policies or state regulations. A case's eligibility for a specific bonus program is dependent upon a number of factors, including, but not limited to: the number of enrolled employees at initial enrollment, renewal or some other point in time; the case's location; funding type; and length of time covered by UnitedHealthcare. UnitedHealthcare may also offer recognition programs such as award trips, non-cash prize programs, and access to special programs reserved for selected agents and agencies.

Bonus payments may be subject to recovery from future compensation if cases used in the bonus calculation cancel during the first twelve months of coverage. Bonus periods vary from program to program. Bonuses will be paid when the required data is available in final form, and after allowing additional time for calculations and data validation.

The enrolled employee or member counts used in any bonus program will be from a source of UnitedHealthcare's choosing, and on a date (or dates, if applicable) of our choosing. Once finalized by UnitedHealthcare, enrollment counts will not be adjusted for subsequent changes or retroactive adjustments to the enrollment count. UnitedHealthcare's determination of group and enrollment counts is final.

UnitedHealthcare has the right to modify or terminate any bonus program at any time without notice. UnitedHealthcare has the right to substitute any non-cash rewards, trip destinations, or other prizes at any time without notice. UnitedHealthcare has the sole and complete discretion to interpret the terms of all bonus programs and to determine amounts payable under the program.

UnitedHealthcare has the right to exclude any case from eligibility for any and all bonus, override, or recognition programs if it determines, at its sole discretion, that including the case in the program would create an actual or perceived conflict of interest for the agent and the customer. UnitedHealthcare has the right to exclude any case from eligibility for any bonus, override, or recognition program for any reason.

UnitedHealthcare bonus programs are generally designed for a specific product or case size segment. We reserve the right to specify or clarify the limitations and terms of any bonus program at any time without notice. Employer association, affinity business, and business acquired through the acquisition of an agency, a block of business or similar transaction may be excluded from bonus eligibility at our discretion without notice. New York Health Maintenance Organization business is excluded from all bonus programs. Cover Florida business is excluded from all bonus programs. Association business may be excluded from bonus eligibility. Bonus programs are subject to regulatory approval in New York, and other jurisdictions as required by law.

All bonus compensation will be subject to reporting as required for regulatory requirements, including (but not exclusively) the reporting associated with ERISA groups (Form 5500, Schedules A and C). UnitedHealthcare will be the sole arbiter as to whether and to what extent compensation is subject to reporting under these regulations, and will determine how bonus amounts are allocated to eligible cases.

All bonus and recognition programs are subject to income tax reporting and withholding (if applicable). The taxable value of non-cash recognition such as trips will be assigned to the entity that actually earned the reward regardless of who actually received the benefits of the reward.

“Non-commissionable” cases excluded from bonuses: non-commissionable cases are not eligible for any bonus program. Please refer to the definition of “non-commissionable” on page 3 for more information.

Governmental entities: some governmental entity cases written or renewed by producers may not be eligible for bonus programs. Please refer to the special rules in this guide for details.

Bonus adjustments: any corrections to a bonus payment must be requested within 180 days of the date the bonus was paid.

Change in a group’s eligibility status: If a group that was not eligible for bonus programs becomes eligible (for example, by becoming “commissionable”), the date of bonus eligibility will be determined solely by UnitedHealthcare. In most cases, groups that become eligible prior to the end of a bonus period will be included in that bonus, unless inclusion in that bonus would create a conflict of interest, or if the customer was advised that the case would not be eligible for bonuses during the period. If the bonus involves net change or retention elements, the group’s enrollment will be added to the beginning counts of the bonus calculation if the group was effective at the time of the baseline or beginning measurement.

Agent of Record (AOR) changes: unless indicated otherwise in a bonus program’s specific rules, the following rules apply for AOR changes: Cases acquired by an AOR change will not be credited as “new business” for the acquiring agent in bonuses where “new business” is a specified qualification criterion. Cases acquired by an AOR change will be added to both the beginning and ending counts for net change, retention, and persistency calculations. Cases lost by an AOR change are generally excluded from bonus calculations for the losing agent, and will be removed from both the beginning and ending counts for net change, retention and persistency calculations provided that the case does not cancel at the time of the AOR change.

If a producer acquires all or part of another producer’s block of business by purchase, merger, or other means, the acquired business will not count towards any new business, persistency or net growth measure. UnitedHealthcare will determine whether and (if applicable) how the acquired business will count for inclusion in the bonus calculations.

Case size designation changes: the impact of a change in case size designation of a case (for example, from “groups with up to 50 eligible employees” to “groups with 51 or more eligible employees”) will vary for specific bonus programs. Cases that enter a new case size segment due to a case size designation change will not be credited as “new business” or as a net gain for net change, retention, and persistency calculations. Cases that leave a case size segment due to a change in enrollment will not be considered a cancellation for net change, retention, and persistency calculations, and will be removed from both the beginning and ending counts. Cases that transfer into the “up to 50 eligible employee” segment from the 51-plus segment on January 1 of any year will remain eligible for the 51-plus bonus that ended on the date of their transfer. UnitedHealthcare will determine the impact of case size segment changes in situations not specifically covered elsewhere.

Internal transfers and policy number changes: cases that change renewal dates, policy numbers or other identifiers due to transfer to another UnitedHealthcare or UnitedHealth Group operating company or operating system will not be considered “new business” in bonuses where “new business” is a specified qualification criterion.

Split or shared cases: bonus amounts, or case and employee credit, for cases where two or more agents split base commissions will be split in the same proportions for all bonus and recognition programs. For example, an agent who receives 50 percent of the base commission on a case that earns a bonus of \$1,000 will receive \$500. In a bonus program where case and/or enrolled employee credit are used to establish eligibility and/or the bonus amount, an agent who receives (for example) 50 percent of the base commissions on a case with 20 enrolled employees will receive credit for 0.5 case and ten enrolled employees. Fractional case and employee credits are not rounded to the nearest integer in any bonus program calculation. In bonus programs having a limit or cap on the number of eligible employees, the amount of bonus, or other factors for a case or group of affiliated cases, the limit or caps are applied before the credit or payment for the case is allocated to the agents.

General agents: General Agents receiving compensation under General Agent’s or special compensation arrangements are not eligible for bonuses or other compensation except as specifically allowed by their agreement with us.

Multiple segment cases: larger employers who have multiple site or multiple segment groups may be divided into several different policies or group numbers. All of these “subgroups” are considered to be one case for commission and bonus purposes, sometimes collectively referred to as “affiliated cases.” All affiliated cases will be combined to count as one case, and the enrolled employee and member counts for all related cases will be combined for bonus calculations and rules, including case size designation, enrollment caps and payment caps.

If new covered employees are brought to UnitedHealthcare through the addition of a new segment or site to an existing group, the employees in the new segment only may be considered “new business” in bonuses where “new business” is a specified qualification criterion at our discretion. This determination will be made following a review of the circumstances related to adding the new employees and the rules of the bonus program in question.

Policy of combining of business for UnitedHealthcare bonus programs: UnitedHealthcare's policy for bonuses and recognition programs is to direct rewards to the agent or agency directly responsible for producing and maintaining the business within a local branch office within a health plan. We do not allow agents or agencies to combine their business through assignment or other means with the intent of maximizing bonus payments or achieving higher tiers in United Advantage® or other recognition programs.

We only allow agents and agencies to combine business if they are in the same health plan coverage area, and then only if there is a true business relationship between the parties. For the purposes of this requirement, we define a "true business relationship" as some form of common ownership, plus other tangible evidence that the relationship represents a merger of all aspects of the business. Such evidence includes the sharing of office space, computer systems, and combining of all expenses and all revenues from all carriers related to the sale and retention of health insurance. Creating a partnership, corporation, LLC or other business entity without also merging all revenues, expenses, ledgers, assets and other aspects of the business does not meet the definition of a "true business relationship." UnitedHealthcare is the sole arbiter regarding whether a "true business relationship" exists between parties, and may adjust or terminate bonus payments, and suspend or terminate bonus eligibility, for agents and agencies found to be in violation of this policy. If we allow combining of business, the change will be made on a prospective basis only, and no prior bonuses will be recalculated.

In addition, please note that UnitedHealthcare's bonus programs are designed to pay for business sold by agency locations within a local health plan area. Therefore, bonuses for agencies that have multiple branches working through different health plans will be based on the business placed through each local branch location. UnitedHealthcare reserves the right to determine whether an agency location qualifies as a separate eligible branch location for bonus purposes.

Voluntary participation: agents and agencies may voluntarily withdraw from participation in bonus programs. Such withdrawal must be for all programs and for all customers. Requests for exclusion of a specific customer from bonuses will not be accepted unless there are special considerations related to regulatory or conflict of interest concerns. UnitedHealthcare will retain full discretion on whether specific cases can be eliminated from bonus consideration for such reasons.

Requests to reinstate bonus eligibility after a voluntary withdrawal will be subject to acceptance by UnitedHealthcare. Prior to accepting an agent's request to be reinstated for bonus eligibility, the agent must confirm that they have not advised their customers that they will not be accepting bonuses. UnitedHealthcare may, at its sole discretion, require that the agent advise all customers in writing that they are now accepting bonuses as a condition of reinstatement of bonus eligibility. UnitedHealthcare will, at its sole discretion, establish the dates for the reinstatement of the agent's eligibility for the various bonus programs, and may pro-rate or otherwise adjust bonus payments covering partial bonus periods.

Reasons to choose UnitedHealthcare

► Comprehensive benefit solutions

From cutting-edge consumer-driven plans to traditional coverage, get affordable products designed to serve organizations of virtually every size. Also, choose from integrated vision, dental, life, disability and behavioral health plans for streamlined administration.

► Promote healthy lifestyles with wellness programs

UnitedHealth Wellness® programs help members take charge of their health and well-being. Based on clinical lifestyle modification research, our programs help members understand and educate themselves, then support and reward positive change. UnitedHealth Wellness is included in all plans.

► Nationwide network access

With more than 606,000 physicians and health care professionals, 5,015 hospitals and 60,000 pharmacies, it's easy to find a network physician or hospital nearby.

► UnitedHealth Premium® designation program

The UnitedHealth Premium designation program gives members important quality and cost efficiency information about doctors and facilities in our network to help them make informed decisions about their care.

► Online tools for employers and members

Employer eServices® lets benefits professionals manage enrollment, eligibility and billing in real-time. myuhc.com®, our member Web site, lets members research health information, check claims status, find network physicians and more – all online.

► Outstanding customer service

We provide information to members when and how they want it. Members can get automated information quickly and easily, or speak with a knowledgeable representative.

► Enhanced coverage rules

Our Certificate of Coverage supports overall health and wellness, plus more ways for customers to manage costs.¹

► Consistent results

Since 2001, our average medical trend cost has consistently outperformed the trend averages of our largest national competitors.²

What sets UnitedHealthcare apart

Corporate facts

UnitedHealthcare's parent company, UnitedHealth Group®, is one of the largest health care services companies in the United States:

- With more than \$81 billion annual revenue
- Serving more than 70 million Americans
- Overseeing approximately \$115 billion in health care spending annually
- Touching nearly every aspect of health care financing and delivery in the United States

Source: 2008 Annual Report

¹Availability of the 2007 COC varies by state.

²Hewitt Health Initiative

UnitedHealth Group reputation and recognition

- Fortune magazine ranked UnitedHealth Group No. 21 in the 2009 rankings of the 500 largest U.S. corporations based on 2008 revenues.
- UnitedHealth Group has been listed in the Dow Jones Sustainability World Index and Dow Jones Sustainability North America Index for 11 consecutive years.

UnitedHealthcare's competitive differences

- Health and well being philosophy: Our programs are designed to help keep consumers healthy, including UnitedHealth Wellness, Healthy Pregnancy program, reminders program, and 24-hour consumer phone line staffed by nurses and master's level specialists to help with health, personal, or financial issues.
- Open access products require no referrals. No prior authorization for most medical procedures.
- Disease management programs for conditions such as asthma, diabetes, coronary artery disease and congestive heart failure provide support to a larger population of people with these conditions.
- Innovative use of claims data helps identify those most likely to become ill and helps promote adherence to best-practice and evidence-based care.
- Online consumer health records for simple, secure access to vital health data anywhere, anytime.

To learn more about UnitedHealthcare's capabilities, please contact your UnitedHealthcare representative.



For a complete description of the UnitedHealth Premium designation program, including details on the methodology used, geographic availability and program limitations, please see myuhc.com.

UnitedHealth Wellness is a collection of programs and services offered to UnitedHealthcare enrollees to help them stay healthy. It is not an insurance product but is offered to existing enrollees of certain products underwritten or provided by UnitedHealthcare Insurance Company or its affiliates to encourage their participation in wellness programs. Health care professional availability for certain services may be dependent on licensure, scope of practice restrictions or other requirements in the state. Some UnitedHealth Wellness programs and services may not be available in all states or for all group sizes.

UnitedHealthcare VisionSM coverage provided by or through UnitedHealthcare Insurance Company or its affiliates. Administrative services provided by Spectera, Inc., United HealthCare Services, Inc. or their affiliates. UnitedHealthcare Dental[®] coverage provided by or through UnitedHealthcare Insurance Company or its affiliates. Administrative services provided by Dental Benefit Providers, Inc., Dental Benefit Administrative Services (CA only), United HealthCare Services, Inc. or their affiliates. Unimerica Life and Disability products are provided by or through Unimerica Insurance Company, UnitedHealthcare Insurance Company or their affiliates.

The DefinitySM Health Savings Account (HSA) high deductible health plan (HDHP) is designed to comply with IRS requirements so eligible enrollees may open a Health Savings Account with a bank of their choice or through OptumHealth Bank, Member of FDIC. "Definity HSA" refers generally to the Definity HSA product, which includes a HDHP, although at times "Definity HSA" may refer only and specifically to the Definity Health Savings Account, provided in conjunction with OptumHealth Bank and not to the associated HDHP.

UnitedHealthcare's DefinitySM Health Reimbursement Account, or HRA, combines the flexibility of a medical benefit plan with an employer-funded reimbursement account.

The Healthy Pregnancy Program follows national practice standards from the Institute for Clinical Systems Improvement. The Healthy Pregnancy Program can not diagnose problems or recommend specific treatment. The information provided is not a substitute for your doctor's care.

Insurance coverage provided by or through UnitedHealthcare Insurance Company or its affiliates. Health Plan coverage provided by or through UnitedHealthcare of Texas, Inc.