

# Double the rewards for Trio!



**Earned Rewards** is easy to earn and calculate. You can start generating your Earned Rewards bonus with a minimum of two new business cases, 500 new medical members or 200 net new Trio members.

New this year, every “net new” Trio member delivers double credit, including net Trio growth on an existing renewal. You are also rewarded for selling dental, vision<sup>1</sup> or life<sup>2</sup> coverage alongside our medical plans.\*

The Earned Rewards program rewards your sales to clients with 101 or more employees.

You can earn	
\$50 per net new member for medical cases	\$10 per new dental member (alongside medical)
\$5 per new vision <sup>1</sup> or life insurance <sup>2</sup> member (alongside medical)	+ Each Trio “net new” member <b>gets double the credit</b> (counts as two members)

Bonus is paid on a “net” membership basis, which means new members enrolled minus members cancelled, with an effective date between February 1, 2017, and January 31, 2018.

For renewals, Earned Rewards applies to “net new” Trio membership only and each Trio “net new” member gets double the credit.

Potential earnings of up to \$100,000.

\* Dental, vision, and life insurance coverage must be sold with a Blue Shield medical plan to qualify for bonus. Voluntary specialty benefits plans do not qualify for bonus.

## Earned Rewards program rules

- To be eligible and qualify, your firm must have a minimum of two new business cases, 500 new medical members or 200 net new Trio members (qualifying Trio members can be any combination of entirely new Blue Shield Trio members and existing Blue Shield members converted from other products to Trio at renewal to meet the 200 "net new" Trio membership threshold).
- Program is applicable to new fully insured groups with 101 or more eligible employees and retirees, or alternate funded solutions for groups with 101 to 300 eligible employees and retirees with an effective date between February 1, 2017, and January 31, 2018.
- A bonus will be paid based on the total number enrolled in Blue Shield from eligible new groups minus any membership loss from canceled groups, with an effective date between February 1, 2017, and January 31, 2018 ("net new membership"). Trio net new members will be counted in the bonus calculation with a 2x factor (i.e., every qualifying net new Trio member is counted as two members). New groups and canceled groups that are >5,000 members will be counted at 5,000 members plus only 50% of members above 5,000 (i.e., a 6,000 member group will be paid 5,000 + 1,000 \*50% = 5,500 members). The Trio members will be counted only one time toward the 5,000-member threshold. For purposes of calculating this bonus, net new membership shall be determined as of January 31, 2018.
- Bonuses will not be payable in connection with contracts involving any union or trust, or contracts for Medicare coverage.
- Your firm is paid for only one Blue Shield special incentive arrangement or bonus program per year. A producer being paid under another special incentive arrangement or bonus program will receive payment based on the program that derives the highest amount.
- Any bonus is in addition to the standard commission structure currently in place.
- Producers associated with general agents qualify for the bonus. However, general agents are not eligible for the bonus program.
- Bonus to be paid out on or before May 31, 2018.
- Producer must be the producer of record on the effective date of the group coverage and at the time the bonus is paid. Obtaining a new group because of a producer of record change does not qualify for this Earned Rewards bonus program. The selling producer must be in good standing with a current, signed Blue Shield of California Producer Agreement, have a valid license on file with Blue Shield, and have been appointed as a Blue Shield agent.
- Bonus payments are paid to the producing firm.
- Potential earnings can add up to \$100,000.
- Blue Shield provides annual Form 5500 reporting to its ERISA group accounts and similar reporting to its government entity accounts, and as part of this annual reporting, Blue Shield will allocate and report the amount of any bonus payments received by producer under this program to the producer's ERISA group clients.
- Any disputes over interpretation of rules or payout amount will be resolved by Blue Shield of California.

<sup>1</sup> Except eye-exam-only plans.

<sup>2</sup> Underwritten by Blue Shield of California Life & Health Insurance Company (Blue Shield Life).

Note: On January 1, 2016, California state law went into effect which redefined "small employer" to include groups of up to 100 employees. The determination of employer group size must be made annually, and groups must adhere to the method for counting full-time employees and full-time equivalent employees outlined in Section 4980H(c)(2) of the Internal Revenue Code. The definition of a large employer requires the group to have a total of at least 101 full-time and full-time equivalent employees.