

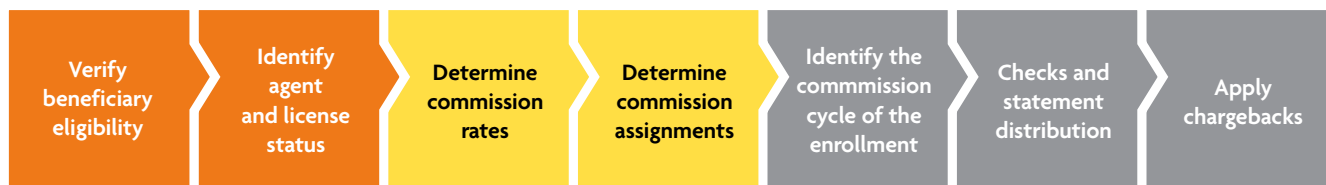


Agent Commissions Process and FAQs

Below is a step-by-step description of the 2020 commission process. You will also find common frequently asked questions and answers. If there are circumstances that arise that are not addressed here, please log in to your [Agent Connect portal](#) to contact Sales Support.

Commission Process for Initial Enrollments

Click the links below to learn more about each step:



Commission Process for Renewals

Click the links below to learn more about each step:



Frequently Asked Questions

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Frequently Asked Questions

? What are the requirements to receive any type of payment from WellCare?

1. Agent must be active/certified and licensed during the time the application is written.
This includes but not limited to:
 - a. Completion of all required training modules
 - b. Completion of appropriate forms (agent contract, etc.)
 - c. Background check
2. Hierarchy (GA, SGA, MGA, FMO) must also be active/certified at the time the application is written to receive commission/overrides.
3. Agent must have a personal WellCare agent identification number (do not use national agency identification number).
4. Agent must have a documented scope of appointment via a compliant method.
5. Agent must submit applications within 48 hours of receiving enrollee's signature.
6. Enrollment has to be CMS-approved.
 - a. CMS will confirm beneficiary eligibility after enrollment application is submitted.
7. Incomplete or inaccurate applications causing a Request for Information (RFI) from the beneficiary will be delay processing until the RFI is satisfied.

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? What types of payments are offered?

WellCare provides four different commission payments:

1. Advanced commission payments (new enrollments)
2. New-to-Medicare Advantage payments
3. Earned-member renewal payments
4. Captive agent stipend

Advanced Payment: there are two scenarios where an advanced payment will be made.

1. New/initial enrollments will be prorated for the first calendar year for both the agent and hierarchy.
The prorated payment is based on the number of months the member is expected to be on the plan from the effective date through the remainder of the calendar year.
2. New-to-Medicare-Advantage payment (true-up) is payment that is based on the monthly CMS compensation report. If the member is determined to be within their initial year for Medicare Advantage, an additional true-up payment will be made.
3. Earned-member renewal payments are paid to agents and hierarchies for continuing to serve our members. This payment is for agents and hierarchies who have retained membership from one calendar year to the next. Agents and hierarchies must complete required annual training each year to be eligible for payment.
4. Captive agent stipends are paid specifically to agents who are contracted to exclusively market, sell and promote WellCare plans.

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? What is the frequency of commission payments?

The table below outlines the payment cycle for each payment type:

Payment Type	Pay Cycle
Advanced Payment (Initial or New to MA)	Weekly (payment issued on Fridays)
True-Ups (New to WellCare)	1-2 Weekly cycles after CMS provides the Cycle Year to WellCare
Member Termination Chargebacks	Monthly (deducted during the month following the termination)
Renewals	Monthly (payment issued on the check date closest to the 15 th)
Stipends	Monthly (payment issued first week of every month)

NOTE: Enrollments are paid in the effective year; i.e., January 1 effectives will be paid the first week of January.

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? What is the process for New-to-Medicare-Advantage payments?

At the time an application is received, WellCare does not know the CMS classification of the potential enrollee. WellCare uses the monthly CMS compensation report to determine whether the enrollee is in the initial year or a renewal year.

WellCare assumes the enrollment should receive annual renewal rate until New-to-Medicare-Advantage is confirmed by CMS. These payments will be paid weekly and prorated based off of the remaining active months.

If New-to-Medicare Advantage is confirmed by CMS, a true-up payment to the initial full amount will be paid.

There are two opportunities for an agent to receive new-to-Medicare-Advantage commission:

1. From “Like Plan Type” (another MA or PDP Plan)

Per CMS, WellCare is required to pro-rate the true-up/2X payments for enrollments from “unlike” plans based on the month of the effective date.

2. From an “Un-Like Plan Type”

From an un-like plan CMS permits WellCare to pay the full New-to-MA maximum commission, un-pro-rated.

Example where from like plan:

4/1 Effective that pays \$455 in total commission for that market:

- Initial Payment = \$170.63
- True-up/2X Payment = \$170.63
- Total = \$341.25 (based on the membership for 9 months)

8/1 Effective that pays \$455 in total commission for that market:

- Initial Payment = \$94.79
- True-up/2X Payment = \$94.79
- Total = \$189.58 (based on the membership for 5 months)

Example where from un-like plan:

4/1 Effective that pays \$455 in total commission for that market:

- Initial Payment = \$170.63
- True-up/2X Payment = \$284.37
- Total = \$455 (Based on Cycle Year 001 and unlike ('NONE') prior plan)

Note: For details on commission rate calculations, please see the commissions calculator located on your [Agent Connect portal](#).

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? What is the process for Earned-Member renewal payments?

Renewal payments will be paid on an as earned monthly basis (1/12 of the annual renewal rate) to the agent of record and hierarchy. Renewal payments will continue as long as the member remains active on the plan with no breaks in coverage, and the agent and hierarchy remain in active/certified status with WellCare.

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? What are the Commission Rates?

See the 2020 commission rates for your state.

2020 Agent Commission Rates		
MAPD States	New to MA (2X)	"Like" Enrollments and Renewals (Lifetime)
California, New Jersey	\$636.00	\$318.00
Connecticut	\$574.00	\$287.00
Arkansas, Alabama, Arizona, Florida, Georgia, Hawaii, Illinois, Indiana Kentucky, Louisiana, Maine, Michigan, Mississippi, Missouri, New Hampshire, New York, North Carolina, Ohio, South Carolina, Tennessee, Texas, Washington	\$510.00	\$255.00
PDP	New to MA (2X)	"Like" Enrollments and Renewals (Lifetime)
	\$78.00	\$39.00

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? What is the \$0 non-commissionable plan?

Plan types being discontinued (service area reduction), or plan types that do not align with our growth strategy will not pay a commission. These applications appear on commission statements as "non-payable."

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? Who will receive hierarchy payments?

Hierarchies are earned at the GA, MGA, SGA and FMO levels.

However, if the writing agent has an FMO, then all hierarchy override payments will be paid to the FMO. It is the FMO's responsibility to pay his/her downlines.

If the writing agent reports to GA, MGA or SGA who is under a WellCare FMO, then each individual level will earn and receive payment.

All payments will be paid to the current assigned person or company that the agent has on file with us. (Refer to question "What is assigned commission" for further clarification.)

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? How are the hierarchy payments distributed?

If there is an FMO, the FMO will be paid for all hierarchy levels. WellCare will combine the rates for hierarchies that do not have a corresponding down line. For example, if you are an SGA for a WellCare FMO and do not have a corresponding downline, you will earn the GA + MGA + SGA rates. To calculate your commissions, please refer to the chart below:

Hierarchy	Rates used for Calculations	Paid to
FMO	GA + MGA + SGA + FMO	All overrides paid to FMO
WellCare FMO –SGA with no down lines	GA + MGA + SGA	SGA
WellCare FMO –SGA with down line of MGA	SGA + MGA	SGA, MGA
WellCare FMO –SGA with down line of MGA and GA	SGA + MGA + GA	SGA, MGA, GA
WellCare FMO –MGA with no down lines	MGA	MGA
WellCare FMO –MGA with down line of GA	MGA + GA	MGA, GA
WellCare FMO –GA	GA only	GA

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? What is assigned commission?

Payment of earned commissions can be distributed to another agency. The agent can assign commissions in two ways:

1. Within the agent contract
2. Through the [Agent Connect](#), self-service portal. Please refer to the *Agent Connect User Guide* in your portal for detailed steps on assigning commissions.

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? What happens if an agent assigns his/her payments?

After an agent assigns his/her commissions, all payments (future and historical business) will be paid to the agent's commission assignment. Note: Legacy renewals would require a separate request for change of payee. This includes, but is not limited to, advanced commissions, new to Medicare Advantage, earned member renewals and stipend payments.

NOTE: All assigned payees must have an agent identification number.

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? What happens if an agent changes hierarchy?

Override commission is applied to the hierarchy at the time the application was written.

EX: An agent changes his/her hierarchy on June 16th. All applications written on or before June 15th will be paid to the original hierarchy. All applications written June 16th and forward will be paid to the new hierarchy.

Prohibition Period: Hierarchy change requests will not be approved during the period of September 14th through December 7th each year. Changes must be submitted through the Agent Connect, self-service portal. Please refer to the Agent Connect User Guide for detailed steps on making hierarchy changes.

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? How are chargebacks applied?

Chargebacks occur under two scenarios:

1. Member has dis-enrolled from plan within the same calendar year as the enrollment.
 - a. Chargebacks will be applied the month following the member's disenrollment. For example, if a member ends enrollment on June 30, the chargeback will be applied during the July commission period.
 - b. If the member dis-enrolls **during** the rapid disenrollment period, then all commissions associated with that membership will be charged back. If the enrollment has not been paid out, it becomes "non-payable."
 - c. If the member dis-enrolls **after** the rapid disenrollment period but before the end of the calendar year, then a prorated chargeback applies. CMS mandates that commission payments must correspond to the number of months the member is on a WellCare plan.
2. Payment correction. In this example, an agent submits an application with the incorrect agent ID.
 - a. Once identified, chargebacks where the amount and/or payee were incorrect, or a retroactive adjustment was requested, will be adjusted on the next available run.

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? Will I receive a commission statement for my applications?

Commission statements are posted to the Agent Connect portal three business days prior to payment release.

1. Payment release dates are typically every Friday, where applicable (e.g. agents are owed payments)
2. Agents will receive an email notification their statement has been posted to the Agent Connect portal.

For information on payment-eligible enrollments, agents should log in to their [Agent Connect portal](#) and search commissions under the Agent History tab.

For detailed steps on downloading your commission statements in either Excel and/or PDF format, log in to your [Agent Connect portal](#) to see the Agent Connect User Guide.

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? What is the payment/schedule timeline?

Typically, the first payment will be a paper check sent to the assigned person or company. Assuming the agent has met all requirements for payment, new enrollments are paid within 15 business days of the enrollment date. Prorated amounts are based on the assumption the member will remain enrolled in their plan until the end of the plan year. WellCare receives information from CMS for New-to-Medicare-Advantage (MA) compensation/cycle year, and will pay the true-up amount to fair market value.

Application Date	Effective Month	1 st Payment: New to WellCare	2 nd Payment: New to MA (if applicable)
February 5	April	March 1-5	March 15-20
February 5	March	February 15-20	March 15-20

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? What steps do I take if I continue to experience issues with lost checks?

It is highly recommended agents set up direct deposit.

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? Who is Payspan and what action do I need to take?

Payspan is a third-party vendor that coordinates direct deposit, otherwise known as Electronic Fund transfer (EFT) registration and paper checks. An EFT sign-up letter is sent by mail and e-mail to the payee, and the agent or agency must follow the instructions on the letter and register for EFT.

The typical period for an agent or agency to receive this letter is one week after submitting their first member application.

NOTE: Agents or agencies will need to go to the site listed on the registration letter and enter the unique registration code, Vendor Identification Number (VIN) and the Tax ID Number (TIN) provided to begin account creation. Follow the instructions on the letter and have bank routing and account information ready.

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? What if I lose my Payspan registration letter, or delay setting up EFT?

Please check your e-mail for a notification from PaySpan with your code.

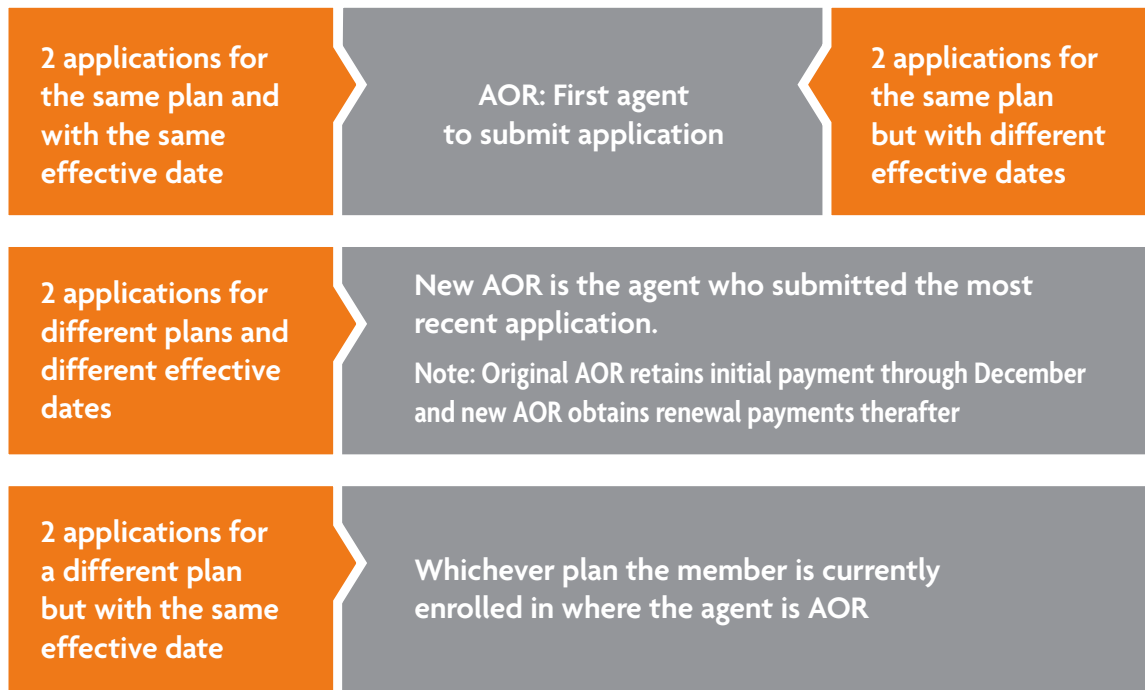
If an agent who has received at least one paycheck from WellCare loses the registration information needed to setup EFT, agents should call Payspan customer service at **1-877-331-7154**.

NOTE: Agents must have their Tax ID and shipping address on file with WellCare to set up EFT

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? What happens when two agents submit an application for one beneficiary?

There are different outcomes that can occur when two agents submit an application for the same beneficiary. See below each scenario that will determine the agent of record (AOR).



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? When does the Agent of Record (AOR) change?

1. When the plan benefit package (Plan ID) changes when written by another agent
2. A break in coverage will remove the AOR from the beneficiary

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? What are the guidelines on managing my Book of Business (BOB)?

1. Agents in Active Certified status, and in good standing with WellCare, receive lifetime renewal commissions for members in their Book of Business (BOB). In the event that an agent cannot serve members in their BOB due to unexpected illness/death, the following may take place:
2. The agent's legal heir can block transfer commission renewals to a licensed/certified WellCare agent
3. WellCare can sell/block transfer to a licensed/certified WellCare agent
4. Corporations of ill/deceased agents can be transferred to a new principal who is living in order to receive payments

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