



2025 Broker Compensation

Policy & Schedule



Compensation Overview

Valley Health Plan (VHP) is committed to providing you with the tools and information you need to do business with us. We also want to increase your earning potential. You play an important role with your clients and we want to reward you for it.

To receive compensation (commission & bonus opportunity):

- You will need to be appointed by VHP and execute an Agent/Broker contract.
- You must be compliant with all regulations regarding licensing and appointment, as stated in the contract.
- Members you enroll must effectuate and make their monthly premium payments.

Compensation Policy

Commission Schedule and Payments

The provisions identified in the Agent/Broker Commission Agreement (Contract) apply to all commission, including bonus program(s) for VHP Individual & Family Plan (off-exchange) and Covered California Plan (on-exchange). To receive compensation, Agent/Broker must be a California Accident and Health licensed agent, a Covered California Certified Insurance Agent, and be appointed by VHP. Commission is calculated on a monthly basis and is paid out on a quarterly basis. The commission monthly Payment Rate is determined by Tier level and Type of Enrollment (new vs. renewal). The monthly Payment Rate may fluctuate from month-to-month depending on the total number of effectuated members.

Premium Payment Reports (PPR) will be provided monthly to each VHP appointed Agent/Broker via email. If your correct book of business is not shown in the monthly Premium Payment Report, data may be fixed by VHP in order to prevent issues with commission payments. It is the responsibility of the Agent/Broker to ensure the accuracy of each monthly Premium Payment Report and report any errors to VHP, within five business days of receipt. VHP limits commission adjustments beyond 6 months from the date of original payment for non-payment or under-payment.

Agent/Broker may earn commission for enrollments made while waiting for the appointment process to complete. Enrollments that occur during or after the contract effective date, qualifies for compensation, once your appointment is complete. However, the appointment process must be completed within the quarter.

Compensation Policy

Agent/Broker Compliance

Agent/Broker is responsible for knowing and complying with all applicable regulations regarding licensing and appointment, as stated in the Contract.

VHP may send courtesy reminders regarding expiring documentation; however it is the Broker's responsibility to update their information in order to maintain an active appointment status with VHP. The Agent/Broker is also responsible for notifying VHP of any address and bank/financial updates.

Failure to do any of the above-mentioned requirements, may result in unnecessary delay in commission payments.

Failure to comply within 1-year may lead to a Contract termination. An Agent/Broker with an inactive book of business for more than 1-year may have their Contract terminated and will have to resubmit an Agent/Broker Commission Agreement.

Contracts cannot be approved retroactively therefore any earned and unpaid commissions may not be eligible for compensation outside of the valid contract period.

VHP Commission Schedule

| | Tier | *Total Members | Annual Rate Per Enrollment (New) | Annual Rate Per Enrollment (Renewals) | Monthly Rate Per Enrollment (New) | Monthly Rate Per Enrollment (Renewals) | When Paid? |
|---------------------------------|------|----------------|----------------------------------|---------------------------------------|-----------------------------------|----------------------------------------|---------------------------------------------------------------------------|
| Covered CA & VHP IFP | 1 | 100+ | \$325 | \$250 | \$27.08 | \$20.83 | Commission is calculated monthly and paid out on a quarterly basis |
| | 2 | 25-99 | \$300 | \$225 | \$25.00 | \$18.75 | |
| | 3 | 5-24 | \$250 | \$150 | \$20.83 | \$12.50 | |
| | 4 | 1-4 | \$100 | \$50 | \$8.33 | \$4.16 | |

Your commission monthly Payment Rate is determined by Tier level and Type of enrollment (New or Renewals). Your monthly Payment Rate may fluctuate from month to month depending on the total number of members that paid their premium during an active month.

*Total Members shall be calculated by the total number of active and effectuated members (New or Renewals) in the Broker/Agent book of business for which VHP has received premium payment. In the event a member terminates mid-year, it is VHP's policy to not take back or retain already paid compensation. In the event the number of Total Members increases mid-year the Broker/Agent will be paid at the new Tier level rate going forward.

Commission Calculation Example

| | Total Members | New Enrollment | Renewals | Commission Calculation |
|-----------------|---------------|----------------|-----------------|------------------------------------------------------------|
| January | 75 | 30 | 45 | $(\$300 \times 30)/12 + (\$225 \times 45)/12 = \$1,597.75$ |
| February | 85 | 45 | 40 | $(\$300 \times 45)/12 + (\$225 \times 40)/12 = \$1,875.00$ |
| March | 100 | 60 | 40 | $(\$325 \times 60)/12 + (\$250 \times 40)/12 = \$2,458.33$ |
| | | | Q1 Total | \$5,931.08 |



VHP Bonus Opportunity Overview

To qualify for a bonus, in addition to earning commission:

You must have **25** or more actively enrolled members. Actively enrolled members are members who are not in delinquency and have paid their premiums in full.

VHP's current 2025 Q1 Bonus will conclude at the close of the first quarter of 2025. Final payments of the 2025 Q1 Bonus will be distributed with 2025 Q1 Compensation. The Q1 Bonus will not be offered for the remainder of the 2025 plan year.

Starting in the Special Enrollment Period, VHP is offering a NEW bonus opportunity for eligible brokers: a Special Enrollment Period (SEP) Bonus.

Additional bonus opportunities may be announced throughout the year.

2025 Q1 Bonus Schedule

| | Total Active Members | Potential Monthly Bonus Amount | When Paid? |
|---------------------------------|----------------------|--------------------------------|--------------------------------------------------------------------------|
| Covered CA & VHP IFP | 1,000+ members | \$8,333.33 | The bonus is calculated monthly and paid out on a quarterly basis |
| | 750-999 members | \$6,250.00 | |
| | 500-749 members | \$4,166.66 | |
| | 350-499 members | \$2,916.66 | |
| | 250-349 members | \$2,083.33 | |
| | 150-249 members | \$1,250.00 | |
| | 100-149 members | \$833.33 | |
| | 50-99 members | \$416.66 | |
| | 25-49 members | \$208.33 | |

2025 Q1 Bonus Calculation Example

| | Total Active Members | | Bonus Calculation |
|-----------------|----------------------|-----------------|------------------------------------|
| January | 20 | | None. Less than 25 active members. |
| February | 85 | | $\$10,000/12 = \833.33 |
| March | 100 | | $\$10,000/12 = \833.33 |
| | | Q1 Total | \$1,666.67 |

2025 Special Enrollment Period(SEP) Bonus

To qualify for the Special Enrollment Period Bonus:

You must have a minimum of **25** or more actively enrolled members. New enrollments that take place during the Special Enrollment Period will qualify the broker for a bonus based on the volume of the total book of business. Those with **25 to 100 members** will receive a bonus of **\$75 per SEP new enrollment** (new enrollments with a Qualifying Life Event during the months of February through December). Those with **101+ members** will receive a bonus of **\$125 per SEP new enrollment** (new enrollments with a Qualifying Life Event during the months of February through December). This bonus will be distributed with 2025 Q4 compensation to capture all eligible enrollments.

There is no cap on this bonus opportunity.

| Total Members | Bonus Per SEP Enrollment |
|---------------|--------------------------|
| 25 - 100 | \$75 |
| 101+ | \$125 |

FAQs



What would cause my payments to be DELAYED or VOIDED?

The most common reasons that may cause VHP to hold your payments:

- Insufficient or no E&O coverage at the time of compensation processing.
- Outdated financial information causing our Finance department to put a hold on your account.
- Outdated or incorrect bank information causing the Electronic Fund Transfer transaction to fail.

FAQs

As a general agency, we need to add new agents to our list of VHP appointed agents throughout the year. How will VHP compensate for the enrollments made by newly added agents throughout the plan year?

For agencies that add 1+ agents each month, VHP will only compensate newly added agents for active enrollments during the quarter agent(s) got added and moving forward. No retroactive compensation for previous quarter(s) will be calculated/paid out.

New agent's contract date will be the first day of the quarter the appointment completed (e.g. 1/1/2023, 4/1/2023, 7/1/2023, 10/1/2023). The individual agent's contract start/effective date will be the date the broker/agency qualifies for compensation for the newly added agent(s), NOT the agency's original contract start date.

Do I have to wait for my appointment to complete in order to enroll new clients?

You can earn commission for the enrollments made while waiting for your appointment processing to complete. Enrollments that occur during or after the contract effective date, qualifies for compensation, once your appointment is complete. However you must complete the appointment process within the same quarter the commission is being processed.