

## Broker Rewards Program Guidelines

- General agents are not eligible for bonus programs.
- “New Sale Member” means an individual who enrolls with Kaiser Permanente under a group or individual contract that did not exist before January 1, 2006. Agent of Record or add-ons to existing contracts will not be used in this calculation.
- New Sale Member Bonus is capped at \$75,000 per group.
- New Sale Member Bonus will be paid quarterly.
- New Sale Members must be active at time of payout.
- Calculations are determined using assigned individual Kaiser Permanente Broker Numbers and cannot be combined.
- Broker Rewards Trip is non-transferable and is not exchangeable for cash.
- The 2006 Rewards period is open to all brokers who have an active appointment with Kaiser Permanente.
- The new program was effective January 1, 2006 and its enhancements replace all existing incentive programs.
- This program does not affect commission payments.

Brokers are responsible for complying with all legal requirements regarding disclosure of Compensation by Kaiser Permanente in the form of commissions, bonuses and other rewards.  
Kaiser Permanente may change or terminate the program at any time without notice. Final decisions will be made at the sole discretion of Kaiser Permanente.



[www.kp.org](http://www.kp.org)

# Broker Rewards Club

2006 INCENTIVE PROGRAM



## Your business continually looks to improve. This year so does our Rewards Club.

Kaiser Permanente has once again set aggressive goals for new members, member retention and growth so that we can help more people thrive. We know you play a critical role in our reaching our goals. We'd like to help you reach yours as well.

For 2006, we have enhanced and simplified the Broker Rewards Club. We have added certain features and have simplified the New Sale Member Bonuses. This program, which started in 2005, rewards you for your membership growth and retention with us.

The program continues to consist of three tiers (levels) of business production and retention and links each level with progressively richer rewards. The more new members you bring on board, the

closer you'll be to enjoying the relaxation of surf and sand. This year's Rewards Club includes competitive commissions, ample opportunities for cash bonuses, and a luxury vacation for the top 24 producers.\*

With the enhancements to the Broker Rewards Club program, product enhancements, and new features and functionality being added to our online capabilities, there's no better time to tell your clients about Kaiser Permanente. Our dedicated sales and account management teams remain committed to helping you help your clients thrive.

\* In order to qualify, a broker must achieve Platinum level.

### Top Tier Producers

This year, our top 24 producers\* will be rewarded with a luxury vacation trip. Earn your reward while helping your clients thrive!

## New Sale Member Bonus

### SILVER LEVEL (0-99 new members\*)

As a silver level producer or higher you can expect the following broker services: Broker Connection newsletter, as well as periodic emails with updates and changes. Eligible to participate in the Broker Co-op Advertising Program (for more details, please contact Broker Relations (404) 364-7107).

### GOLD LEVEL (100-299 new members\*)

\$25 per New Sale Member (1-299). Once you enroll 100 new members, you will receive a one time bonus of \$25 for every New Sale Member from #1 up to member #299. Eligible for Gold Producer Recognition Award.

### PLATINUM LEVEL (300+\*)

\$50 per New Sale Member (300+). You will receive a one time bonus of \$50 per member for every New Sale Member over 299. This extra bonus does not apply to the first 299 New Sale Members. Eligible for Platinum Producer Recognition Award and Broker Rewards Trip contest.

\*Sold in 2006. "New Sale Member" means an individual who enrolls with Kaiser Permanente under a group or individual contract that did not exist before January 1, 2006. Agents of Record or add-ons to existing contracts will not be used in this calculation.

## Kaiser Permanente Retention Bonus

Our Retention Bonus Program is open to all brokers with at least 500 \*\*\* fully insured Kaiser Permanente health subscribers as of December 31 of the previous year. In order to be eligible for this program, the broker must retain at least 85 percent of the subscribers from the previous year. We will use the broker's fully insured Kaiser Permanente block of business to calculate the retention bonus payment. If a Broker meets the minimum of 85% retention threshold, the bonus will be 0.05% of annual net of commissions. This will be calculated at the end of the first quarter following the plan year and will be disbursed within 45 days.

\*\*\* Losses to Agents of Record on retained Kaiser Permanente cases will be excluded from the retention calculations.

### Calculating Retention Bonuses

Number of Retained Subscribers	Retention Percentage		
	85-89.9%	90-94.9%	95+%
500-999	0.05%	0.20%	0.30%
1000-1499	0.05%	0.30%	0.40%
1500-1999	0.05%	0.40%	0.55%
2000+	0.05%	0.50%	0.65%