



In mid-December the Affordable Care Act was once again a front-page story as a Texas court ruled the legislation unconstitutional. Although the decision has yet to survive the appeals that have been filed, it is safe to say that the first 8 years of the ACA have been tumultuous as best.

Alliant has been an issuer on the Marketplace for IFP (SoloCare) plans from the very first year in 2014. This was new territory for all issuers and our decisions impacted us on both the financial and operational fronts. In modifying IFP (SoloCare) distribution/commission for 2017-2018 by establishing a production benchmark, there were brokers that became uncompensated; despite trying to assist consumers through the maze of obtaining coverage. In many situations this was simply a case of wanting to help a client or protect other lines of business.

In re-evaluating this position, please find an amendment to your Producer Contract that removes the benchmark production floor beginning January 1, 2019 and pays a commission of equal amount regardless of the number of policies you write.

There is no action required of you. Please note that this new amendment only has been sent in this communication. A copy of the entire Producer Agreement may be found on our website.

I recognize this change cannot undo the past, but it does go into effect for 2019. I also recognize there may be brokers that assigned IFP business to another broker (Broker of Record or BOR):

- If you have IFP (SoloCare) members you want assigned to you as the Broker-of-Record and the current Broker-of-Record agrees:
 - An email of the members ID, PLUS
 - A written acknowledgement (email is sufficient) from the current broker; AND
 - Both brokers must be certified by CMS for this transfer to occur.
- All other scenarios that involve a change in the assigned broker will require a BOR Form. This must be completed and submitted by the Subscriber and the Broker.

Alliant will work to quickly respond to your requests. The BOR form can be found on AlliantPlans.com under the Broker tab; Forms and Documents (left tool bar) and the third link on the left menu of Broker Forms and Documents. Or use this link: [Broker of Record \(BOR\) Enrollment On and Off Marketplace form](#)

The 2020 marketplace will be examined in light of continued threats from the courts, changes in legislation and competition in the North Georgia counties where we remain a dominant provider of coverage for individuals and families under the Affordable Care Act.

Should have any questions, don't hesitate to contact your Broker Client Representative.

If you have question, please feel free to contact either of the Broker Client Representatives at 877-668-1015:

- Cindy Nesbitt CNesbitt@AlliantPlans.com ext. 219
- Lisa Johnson LJohnson@AlliantPlans.com ext. 235

Thank you for your consideration,

Mark Mixer, *CEO*
Alliant Health Plans, Inc.



Amendment Number Four to Producer Contract

This Amendment Number Four to the Producer Contract (“Amendment”) is made and entered into on the 1st day of January 2019 (“Amendment Effective Date”) by and between Alliant Health Plans, Inc (“Company”) and Producer and amends the Producer Contract between the Parties (“Contract”). Unless otherwise defined herein, all capitalized terms used in this Amendment shall have the same meaning assigned to such term in the Contract. Any and all terms and conditions of the Amendment that conflict with the Contract shall control.

RECITALS

WHEREAS, Company and Producer are parties to the Contract that may be amended from time to time;

WHEREAS, pursuant to Section 16 (f) of the Contract, *General Provisions-Amendment*, “...Company may amend or modify this Agreement unilaterally by Company’s delivery of written notice of such amendment or modification to Producer, which shall not be effective until thirty (30) days after Company’s delivery of such notice to Producer”; and

WHEREAS, Company hereby notifies Producer of the following modifications to this Agreement in accordance with Section 16(f).

NOW THEREFORE, in accordance with the terms and conditions of the Contract and the consideration described in the Contract as amended, the following terms and conditions shall be binding upon the parties.

AMENDMENTS

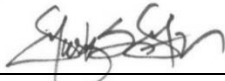
1. Exhibit A-3 of the Producer Contract shall be deleted in its entirety and replaced with the attached Exhibit A-4 and any and all references to Exhibit A-1 in the Producer Contract shall be superseded with the reference to Exhibit A-4.

[signature on the following page]



IN WITNESS WHEREOF, the Amendment has been executed on behalf of the Company by a duly authorized officer of the Company, to be effective as of the Amendment Effective Date, defined above.

Alliant Health Plans, Inc

By:  _____

Name: Mark Mixer

Title: Chief Executive Officer

Date: December 31, 2018



EXHIBIT A - 4
to Producer Contract

This Exhibit A-4 Compensation Schedule replaces and supersedes any prior Commission Schedules or previous Exhibits A-1; A-2 or A-3 attached or incorporated by reference to the Producer Contract regarding compensation or commission. Pursuant to Section 4 of the Alliant Health Plans Producer Contract, Company hereby modifies the rates of Commission which shall become effective and binding on the Producer upon Company's written notice. In the event any terms and conditions of the Exhibit A-4 to the Producer Contract conflict with the terms and conditions of Producer Contract, this Exhibit A-4 shall control and shall apply to the following plans:

- Individual/Family Plans; also known as SoloCare; and
- Group plans; also known as SimpleCare
 - Small Group (50 or fewer employees)
 - Large Group (51 or greater employees)

In exchange for the Agent reviewing coverage and providing ongoing customer service for Alliant Health Plans to the members, Alliant Health Plans agrees to remit commission payment as follows:

I. Individual Family Plans ("IFP")/SoloCare Commissions

- a. Alliant Health Plans agrees to remit commission payment on a Per Member Per Month (PMPM) basis. In accordance with Section 4 of the Producer Agreement, Commission will be paid on IFP/SoloCare Policies and shall be paid at a per capita rate based upon Section II.b.

b. IFP/SoloCare Policy Commissions Base Commission Amount: \$10 PMPM (Per Member Per Month)

Commissions are not paid on members in a grace period. If a member enters a grace period, but later makes full payment to exit that grace period, retroactive payment of commission will occur. Commissions will be paid monthly, in the month following coverage. *For example, if a member enrolls on January 1 and pays their premium, a \$10 commission will be paid in February.* Prepayment of premium will not result in prepayment of commission.

c. New Member IFP/SoloCare - Additional Commission

An additional \$5.00 PMPM commission (in addition to the \$10 PMPM payment described in Section 1) will be paid for New Members. A member may be classified as a New Member in the event of one of the following:

- The Member was not enrolled via CMS's Alternative Re-Enrollment process
- If Company is unable to confirm an IFP/SoloCare MEMBER was insured by AHP during the previous calendar year.

This additional payment is made only during the first calendar year the member is considered 'new'.



b. No commission shall be payable for IFP/SoloCare Policies that are sold during a special enrollment period.

II. Small Group Plans Commission: (2-50 Employees) *(transitional and SimpleCare plans)*
Producers receive 5% of paid premium per month.

III. Large Group Plans Commission: (51+ Employees) *(transitional and SimpleCare plans)*
Initial quotes for a new large group will quote with a default commission of 4% of paid premium. To the extent Producer voluntarily reduces commissions by 1%, Alliant will agree to match the 1% reduction for a total reduction of premium by 2% *(so the total reduction will be a 1% reduction in premium due to commission reduction and an additional 1% reduction of premium as a match by Alliant; for a total of 2% reduction in premium).*

Large group plan accounts existing prior to Effective Date will renew with the commission rate that was agreed upon at the origin of the group contract.

Broker of Record changes that occur at any time other than at the time of renewal for the policy will retain the commission level agreed upon at the start of the group contract period. Brokers of record that change upon renewal are assumed to be at the default rate of 4% of paid premium, regardless of the previous year commission arrangement.

IV. Eligibility to Earn Commission/Represent Alliant Health Plans

Commissions are earned and available only to properly licensed, certified and doing business under credentialed authority to represent Alliant Health Plans.