

## SCHEDULE B GROUP PLAN COMMISSIONS

### SOLICITED POLICIES

Subject to the terms of this Schedule B and of the Producer Contract to which it is attached, the Producer is hereby authorized to solicit applications for Group healthcare coverage.

### COMMISSION SCHEDULE

For each such policy for which application is solicited by the Producer and accepted by PacificSource, PacificSource will pay a commission to the Producer based on group size in accordance with the following Commission Schedule. Group size is determined at initial enrollment and reviewed at renewal each year. Medical and dental premium and commission are calculated separately. In no case shall PacificSource vary the commission level on a small employer group.

#### Oregon

**Groups With Fewer Than 100 Employees** – PacificSource pays a flat commission based on the following:

Group Size	Per Member Per Month (PMPM)	
	Medical	Dental
Small Groups with 2-25 Eligible Employees	\$14.32	\$3.62
Small Groups with 26-50 Eligible Employees	\$8.66	\$2.18
Large Groups with 99 or Fewer Enrolled Employees	\$6.99	\$1.51

**Groups of 100 or More Employees** – PacificSource pays commission based on the following schedule, unless otherwise negotiated. Annualized premium is based at the client level (sum of all associated groups under the Client), and is based on the contract period. Such commission will apply to the total amount of premium for groups of 100 or more employees for each policy projected to be paid to PacificSource each year, or part thereof, while the Producer Contract attached hereto is in effect.

Annualized Premium	Medical	Dental	Annualized Premium	Medical	Dental
\$45,000 or less	5.0%	5.0%	\$150,001 to \$200,000	2.9%	2.9%
\$45,001-\$50,000	4.9%	4.9%	\$200,001 to \$250,000	2.6%	2.6%
\$50,001-\$55,000	4.7%	4.7%	\$250,001 to \$300,000	2.5%	2.5%
\$55,001-\$60,000	4.5%	4.5%	\$300,001 to \$350,000	2.4%	2.4%
\$60,001-\$65,000	4.3%	4.3%	\$350,001 to \$400,000	2.3%	2.3%
\$65,001-\$70,000	4.1%	4.1%	\$400,001 to \$450,000	2.2%	2.2%
\$70,001-\$75,000	3.9%	3.9%	\$450,001 to \$500,000	2.1%	2.1%
\$75,001-\$80,000	3.7%	3.7%	\$500,001 to \$750,000	2.0%	2.0%
\$80,001-\$90,000	3.6%	3.6%	\$750,001 to \$999,999	1.75%	1.75%
\$90,001-\$100,000	3.5%	3.5%	\$1,000,000 or more	1.5%	1.5%
\$100,001-\$150,000	3.2%	3.2%			

#### Idaho

**Groups With Fewer Than 100 Employees** – PacificSource pays a flat commission based on the following:

Group Size	Per Employee Per Month (PEPM)	
	Medical	Dental
Small Group of 15 or Fewer Employees	\$26.00	\$4.00
Small Group of 16-50 Employees	\$27.00	\$5.00
Large Group with 99 or Fewer Employees	\$22.00	\$4.25
Medical/Dental Bundle (additional PEPM)	\$0.50	

**Groups of 100 or More Employees** – PacificSource pays commission based on a negotiated schedule.

**PAYMENT OF COMMISSIONS**

**Premium Tolerance** – Commission will only be paid once the premium received meets the premium tolerance of 60% for group policies. Once an employer group has paid at least 60% of their billed premium, PacificSource will pay commission on that group.

**Premium Paid** – Commissions will apply only to premiums or payments paid to, received, and accepted by PacificSource during the term of such policies. Commission paid is based on same percentage of premium received (i.e., If group pays only pays 80% of their premium, only 80% of the commission is paid). If any premium earned and paid to PacificSource is adjusted because of retroactive or pro rata payments, the commission paid will be adjusted accordingly on the next commission payment.

**Retrospective Funding Financial Arrangements** – No additional commission will be paid if the client owes money under the retrospective funding financial arrangement at the end of the contract period. In addition, PacificSource will not ask for a return of commissions if the group client receives a refund from PacificSource.

**Self-Funded / ASO** – If an ASO agreement is terminated, no additional commission will be paid to the agent during the run-out period.

**Waived Premium** – Commissions will not be payable on any premiums or other payments due to PacificSource which are waived under the terms of a policy or other agreement with a policyholder.

**Canceled Policy** – If a policy is canceled and the Producer already has received commission for such policy, the Producer agrees to refund to PacificSource a portion of the commission for said policy, pro rata with the amount of the premium refunded.

**DELIVERY OF COMMISSIONS**

The Producer has the option of having their commission checks direct deposited or mailed. In no case can a Producer pick-up their commission check or have it hand-delivered to them.

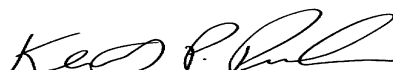
**COMMISSION SCHEDULE MODIFICATION**

PacificSource may modify the above commission schedules with advance written notice. The Producer shall be deemed to have accepted the modified commission schedule unless the Producer provides prior notice. In such event, the Producer Contract between PacificSource and the Producer shall be cancelled and terminated.

**APPROVED:**

**PacificSource Health Plans**

**Principal Producer**

  
by: Kenneth P. Provencher  
President, Chief Executive Officer

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Name (printed or typed)  
Date: \_\_\_\_\_

**Agency Information**  
Agency Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_  
Agency Tax ID Number: \_\_\_\_\_ Web site: \_\_\_\_\_