

Broker Commissions

License Renewal

All Meritus broker representatives must maintain a valid Arizona Life and Health license. A copy of this license must be resubmitted to Meritus upon its renewal. It can be emailed to the Meritus Broker Sales team at Sales@meritusaz.com.

Commission Payments

Individual and Group Commissions

- All new eligible policies must result in the issuance of a new policy to a person that is not currently a policyholder of Meritus Individual or Group major medical insurance.
- Individual commissions are as-earned and based on **6%** monthly premium for the first year and then **4%** of the first year's premium thereafter.
- Small Group is as-earned and based on **4%** all years.
- Commissions will be paid by the 10th of the month following the month when the member's policy or Group policy is effectuated.

To receive commissions, contracted brokers must have:



a valid Arizona Life and Health Insurance License

Valid FFM Certification for On Market business

Commissions For Members Who Receive Advanced Premium Tax Credits (APTC) as follows:

- We will pay commissions on the full premium on all approved and paid Memberships, including commissions on APTC amounts.
- Commissions are paid by the 10th of the next month if both the premium payment from the member and the APTC has been processed and reconciled by the 26th day of the month.
- Commissions will not be paid for members for who have not paid their portion of the premium even if Meritus received the member's advanced premium tax credits (APTC) only.

- Payments reconciled after the 26th day of the month will be paid on the by the 10th of the month following 30 days.

Terminations and Suspensions

Commissions for members and or dependents will be reduced the month following the termination or suspended by the amount of commission that resulted from the member's and/or dependent's premium.

If a member's coverage is suspended because they enter into active duty status for the military or naval service of the United States or any other country and the Covered Person requests a resumption of coverage within 60 days of termination of active duty status, meets the eligibility requirements for the policy and pays any required premium, commission will be paid.

Commissions Paid on Members Cancelled Retroactively

In cases where commissions were paid for members who do not pay during the applicable grace period (90 days for members who receive APTC; 30 days for all other members) commission payments will be cancelled retroactively and reduced from subsequent commission payments.

Commission Rules for Members Who Re-enroll

If a Meritus member stays on the same plan, commission will be calculated based on the premium amounts for the prior year.

Reporting on a Broker's 1099

Reporting of compensation from the Commission program and tax implications are the responsibility of the broker. Meritus may amend the terms of the Commission program with written notification.

The broker must have an active contract, be in good standing with Meritus, and be up-to-date with the following requirements:

- Meritus broker training
- active AZ DOI license
- current Errors & Omissions insurance
- current Marketplace certifications on file
- and must meet all requirements imposed by the Marketplace.