



November 1, 2016

Re: Renewal PPACA Commissions

Effective January 1, 2017, Capital BlueCross will reduce producer commissions for renewing individual, Patient Protection and Affordable Care Act (PPACA) compliant Catastrophic, Bronze, Silver, and Gold plans on and off the Federally Facilitated Marketplace.

The new commission schedule pays \$5 per member per month to Standard producers for Bronze, Silver, and Gold plans. Catastrophic commissions will be \$4 per member per month. This commission is payable on previously commissionable business when the member is enrolled on December 31, 2016 and remains a member on January 1, 2017, regardless of the plan. Producers will receive an email prior to January 1, 2017 containing the contract amendment outlining this change.

As previously communicated, we will not be paying commission on new business individual sales effective January 1, 2017.

Our decision is reflective of our continual evaluation of market trends and conditions, and helps ensure we can continue to offer products in the individual market.

Questions

Please contact your preferred agent.