



Dear Agency Partner,

I am pleased to announce Medica's 2024 Individual and Family Business ("IFB") Bonus program!

You and your organization serve as vital partners across distribution, service and experience for the members who have chosen Medica to be their home for health insurance. Thank you for trusting us to be the health plan of choice.

The Bonus terms and conditions are as follows:

1. Bonus Calculation

Medica will offer a one-time growth Bonus. The Bonus payments will be calculated and paid strictly according to the following parameters:

- The Bonus is \$200 per net change in Active Members enrolled in the Essentia Choice Care by Medica IFB plan. The net change in the Active Members will be calculated on May 16, 2024, compared to the Active Members on May 16, 2023. The Bonus will be \$200 multiplied by the net increase in Active Members. If an Agent has a net decrease or no change in Active Members during the measurement period, then the Agent will not receive the Bonus.
- "Active Members" are Minnesota residents enrolled in an Essentia Choice Care by Medica IFB policy as of May 16, 2024, for which the Agent is the Agent of Record.
 - The Bonus will be calculated only for Active Members who have paid their full premium payment and not otherwise have had their policy terminated.
 - The Bonus is available for Active Members in the Essentia Choice Care by Medica IFB plan, whether such enrollment occurs through MNSure or directly with Medica.
 - All Bonus payments are a one-time bonus payment per effectuated Active Member, and enrollment changes mid-year will not receive a second payment for the same Active Member.
- The Bonus payments will be calculated for each qualifying Agent and paid to the Agency's Agents in July of 2024.
 - The Bonus payment will not be calculated for Active Members that move between Agents of the same Agency.
 - The Bonus is subject to a claw back or may be reduced if the Active Member is retroactively terminated on or before the first three (3) full monthly premium payments are made on the policy.
 - Bonus payments are not calculated retroactively.

- There is no cap on the maximum amount of a Bonus an Agent may be eligible for.
- This Bonus is above and beyond commission payments made pursuant to the Medica Agency Partner (“MAP”) Agreement (or other applicable Agreement with Medica).

For example, if Agent is the AOR for 100 Active Members on May 16, 2023, and the AOR for 110 Active Members on May 16, 2024, the Agent may be eligible for a one-time bonus of \$2000 (\$200 * 10 Active Members).

2. Eligibility

To be eligible to earn the Bonus, the Agent must:

- Be the valid agent of record (“AOR”) on the policy. This Bonus is not available for general agencies, web agents, or Field Marketing Organizations.
- Have an increase in Active Members, based on Medica’s information, between May 16, 2023, and May 16, 2024.
- At the time of the sale or renewal, be licensed in Minnesota, contracted, and appointed with Medica to sell IFB plans.
- At the time of the sale or renewal, meet all additional state and federal requirements to sell Qualified Health Plans, including, but not limited to MNSure trainings and certifications.
- At the time of each sale or renewal and the date on which the Bonus is due, comply with all provisions of the MAP Agreement (or applicable Agreement with Medica).

3. Other Terms and Conditions

- Medica may amend or discontinue this Bonus program in accordance with the terms of the MAP Agreement (or other applicable Agreement with Medica) and in compliance with the Centers for Medicare and Medicare Services’ commission guidelines.
- Medica reserves the right, in Medica’s sole discretion, to adjust Bonus payments based on enrollment thresholds.
- Medica reserves the right at any time, in Medica’s sole discretion, to adjust Bonus payments made as a result of fraud or incorrect information provided to Medica, or if the Agent received an overpaid Bonus payment. Medica will not adjust any underpayment of a Bonus payment to eligible Agents, except for adjustments requested within 60-days of the payment date. In this regard, neither eligible Agents nor Medica may assert a claim against the other relating to an incorrect payment amount under the terms of the Bonus program unless such claim is made (and the resulting adjustment is commenced) within 60-days of the date of said incorrect payment.
- All other terms, conditions, and obligations of the MAP Agreement (or the applicable Medica Agreement) still apply.

Again, thank you for your continued partnership. We at Medica are excited to have the opportunity to serve this market in 2024 and beyond.

A handwritten signature in black ink that reads "Michael Daly". The signature is written in a cursive style with a large, stylized initial "M".

Michael Daly
Vice President – Consumer Distribution and Growth