

Attachment 5c - Initial and Total Compensation Excel Workbook "Agent Compensation Information" (Attachment 4).

Instructions

For any MA or PDP organization that did not sell products through agents and brokers in any given year, such organization is not required to provide such information for such year. Nonetheless, every organization must provide 2019 information and information for the other years in which they participated in Medicare Advantage and the prescription drug programs.

In addition to the compensation structures requested in attachments 2a and 2b, each MA and PDP Parent Organization must submit a separate CMS template Excel workbook (Attachment 4 - Agent Compensation Information Workbook) that provides data on both the Initial and Life Compensations paid in 2016 - 2018, and the compensation schedule set for 2019. This information must be provided describing the compensation paid directly to writing agents (street level) by the plan; compensation paid directly to writing agents (street level) by marketing organizations contracted by the plan; and the compensation paid by the plan to the contracted marketing organizations. Structure of Excel Workbook

- The excel workbook is divided into separate worksheets for years 2016 through 2019. For each year, it is also divided into three worksheets:
 - "Marketing Organizations" - Collects data on compensation paid by an MA or PDP Organization to an intermediary, such as a field marketing organization.
 - "Writing Agents (Plan Paid)" - agents paid directly by the MA and PDP Organizations, and
 - "Writing Agents (M.O. Paid)" - agents paid directly by marketing organizations contracted by the plan

Finally, each worksheet for years 2016-2018 is also divided to include both initial compensation actually paid and total compensation expected to be paid over the life of the compensation structure.

Years 2016-2018 Initial Compensation Actually Paid

- For each of the years 2016 through 2018, the following data must be provided for **initial** compensation actually paid under structures applying to payment in three situations. This information must be provided describing the compensation paid directly to writing agents (street level) by the plan; compensation paid directly to writing agents (street level) by marketing organizations contracted by the plan; and the compensation paid by the plan to the contracted marketing organizations:
 - - Contract/pbp number.
 - Number of beneficiaries -- This number is the number of beneficiaries enrolled in that contract/pbp in that year for which the compensation was paid.
 - Minimum - This is a number calculated based on the initial compensation actually paid from the year's structure(s) with the lowest initial compensation for that contract/pbp. Minimum equals the total of all the initial compensation actually paid from such structure(s) divided by the number of beneficiaries whose enrollment was paid for under such structure(s).
 - Maximum - This is a number calculated based on the initial compensation actually paid from the year's structure(s) with the highest initial compensation for that contract/pbp. Maximum equals the total of all the initial compensation actually paid from such structure(s) divided by the number of beneficiaries whose enrollment was paid for under such structure(s).
 - Mean -- This is a number calculated based on the initial compensation actually paid from all the year's structure(s) applicable to that contract/pbp. Mean equals the total of all the initial compensation actually paid from all the structure(s) applicable to that contract/pbp, divided by the number of beneficiaries whose enrollment was paid under such structure(s).
 - Median -- This is a number derived from calculating the initial compensation actually paid for each schedule applicable to that contract/pbp. The median is derived by arraying all the initial compensation values from low to high and selecting the midpoint

value. If there are an even number of values, and, therefore, no midpoint value, calculate the median by averaging the two values closest to the midpoint.

Years 2016-2018 Total Compensation Expected to be Paid over Life of Compensation Structure

Note: when completing the required templates, for the "life cycle" compensation, enter the total amount an agent could potentially be paid if the beneficiary the agent helped enroll stays in that plan.

- For each of the years 2016 through 2018 the following data must be provided for **total** compensation actually paid over the life of the compensation structures applying to payment in three situations. This information must be provided describing the compensation paid directly to writing agents (street level) by the plan; compensation paid directly to writing agents (street level) by marketing organizations contracted by the plan; and the compensation paid by the plan to the contracted marketing organizations: : o Contract/pbp number.
 - o Number of beneficiaries -- This number is the number of beneficiaries enrolled in that contract/pbp in that year for which compensation was paid.
 - o Minimum - This is a number calculated based on the total compensation expected to be paid from the year's structure(s) that have the lowest total compensation amount paid over the structure's life for that contract/pbp. Minimum equals the total of all the expected compensation to be paid over the life of the structure(s) divided by the number of beneficiaries whose enrollment in that year was initially paid for under such structure(s).
 - o Maximum - This is a number calculated based on the total compensation expected to be paid from the year's structure(s) with the highest total compensation amount paid over the structure's life for that contract/pbp. Maximum equals the total of all the expected compensation to be paid over the structure(s) life divided by the number of beneficiaries whose enrollment in that year was initially paid for under such structure(s).

- o Mean -- This is a number calculated based on the total compensation expected to be paid over the structure's life represented by all of the year's structure(s) applicable to that contract/pbp. Mean equals the total of all the expected compensation to be paid over the life of all the structure(s) applicable to that contract/pbp, divided by the number of beneficiaries whose enrollment was initially paid under such structure(s) in that year.
- o Median -- This is a number derived from calculating the total compensation expected to be paid over the structure's life for each schedule applicable to that contract/pbp. The median is derived by arraying all the total compensation values from low to high and selecting the midpoint value. If there are an even number of values, and, therefore, no midpoint value, calculate the median by averaging the two values closest to the midpoint.

Year 2019 Initial and Renewal Year Compensation and Compensation Paid over the Life of the Structure - Contracted Marketing Organizations

For 2019, the following data must be provided for structures applying to payment to contracted marketing organizations (Worksheet: "2019 Marketing Orgs"):

- o Contract/pbp number - Provide each contract/pbp number in as many rows as there are compensation structures that apply to it.
- o Structure number - Provide each unique number identifying each compensation structure applicable to the contract/pbp number. (The structure number should match the structures submitted under Attachment 2a.)
- o Initial Compensation - Enter the amount to be paid to the contracted marketing organization for an initial enrollment.
- o Renewal Years - Enter the amount to be paid to the contracted marketing organization for renewal compensation. The spreadsheet has ten renewal years listed - complete as many renewal years as needed for life cycle structure. Do not delete columns - if no commission is paid in a renewal year listed on the spreadsheet enter a zero (0).

- o Number of Agents - Enter the number of agents contracted to sell under the compensation structure for that contract/pbp. (As of November 15, 2008)

Year 2019 Initial and Renewal Year Compensation and Compensation Paid over the Life of the Structure - Writing Agents (Paid by Plan and Paid by Marketing Organization)

- For 2019, the following data must be provided for structures applying to payment to agents and brokers paid directly by the MA and PDP organization (Worksheet: "2019 Writing Agents (Plan Paid)") and payment to agents and brokers paid by marketing organizations (Worksheet: "2019 Writing Agents (M.O. Paid)"):
 - o Contract/pbp number - Provide each contract/pbp number in as many rows as there are compensation structures that apply to it.
 - o Option One or Option Two: Plans should indicate "1" or "2" indicating which option they used for calculating the 2019 renewal compensation amount.
 - o Structure number - Provide each unique number identifying each compensation structure applicable to the contract/pbp number. (The structure number should match the structures submitted under Attachment 2b.)
 - o Initial Compensation - Enter the amount to be paid for an initial enrollment. This amount should equal 200 percent of the annual renewal compensation amount.
 - o Renewal Years 1 through 5 - Enter the renewal compensation amount to be paid in each of the years 1 through 5. This amount should be calculated in accordance with the instructions in Attachment 5b, under "2009 Compensation Structures", and should be the same for all renewal years.
 - o Number of Agents - Enter the number of agents contracted to sell under the compensation structure for that contract/pbp. (As of November 15, 2008)

Other Instructions

- Complete the sheets exactly as requested. Plans must use the Excel format provided:
 - o The workbook should be at the Parent Organization level.

- o Round to whole dollars, no punctuation, no decimalpoints.
 - o Put only one dollar amount in each cell.o Insert "0" if the value is zero.
 - o If there are no data for a year, leave cell(s)blank.
 - o Do not modify the worksheets in any way.
 - o If the same values apply to multiple contract/PBPs,enter those amounts multiple times (separately for each contract/PDP).
- Save the file in Excel 2003 version.
 - o Use the naming convention "Attachment[insert Attachment number]_Organization_[insert additional identifying information as necessary]"
 - For those organizations using Option 1, submit the certification (Attachment 1b) by November 13, 2018. In addition, all organizations (including those organizations using Option 1) must submit all remaining data and certification 1a in a zip file to MA_PDPSalesCompensation@cms.hhs.gov no later than November 17, 2018.

PRA Disclosure Statement

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