

HOW DO YOU GET PAID?

CORPORATE BENEFITS COMMISSION VISUAL



01. GROUP HEALTH ACCOUNTS

Typically, carriers pay a Per Employee Per Month (PEPM) fee : \$25/employee (this can vary by carrier)

$$15 \text{ employees on the plan} \times \$25 \text{ price per employee} = \$375/\text{month} \times 12 \text{ annual} = \$4,500 \text{ Annual Revenue}$$

$$\$4,500 \text{ annual revenue} \times 40\% \text{ 1st year commission} = \$1800/\text{Annually or } \$150/\text{month}$$

02. ANCILLARY COVERAGES

Typically, carriers pay as a % of the premium

$$\{\text{Type of Coverage}\} = \text{Revenue} \times 40\% = \text{Commission/Production}$$

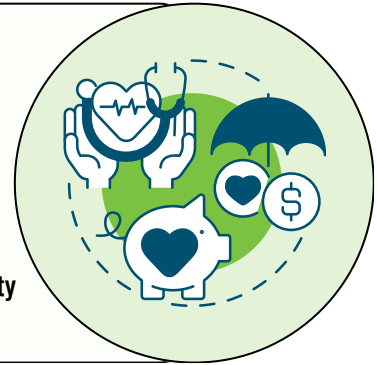
Basic Life
5-10% Premium Written

Dental
8-10% Premium Written

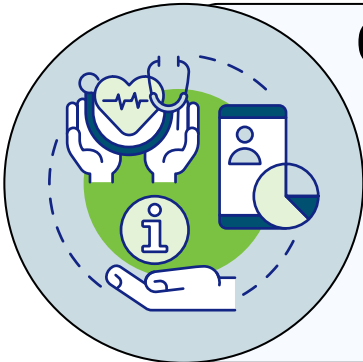
ER Paid Disability
5-15% Premium Written

Voluntary Life
15% Premium Written

Voluntary Disability
15% Premium Written



03. ALLSTATE



This is typically a heaped 1st year

$$55\% \text{ premium written} \times 40\% \text{ 1st year commission} = \text{Commission/Production}$$

2nd year and beyond renewals (validated producers)

$$10\% \text{ premium written} \times 30\% \text{ 2nd year commission} = \text{Commission/Production}$$

04. \$40K PRODUCTION = \$100K REVENUE

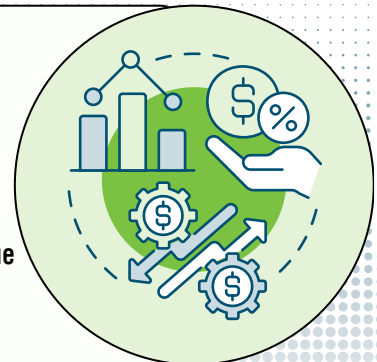
Choose your own adventure to get to \$100k revenue (\$40k production year)

$$334 \text{ employees on the plan} \times \$25 \text{ price per employee} = \$8,350/\text{month} \times 12 = \$100,000 \text{ Annual Revenue}$$

$$200 \text{ employees on the plan} \times \$25 \text{ price per employee} \times 12 = \$60,000 \text{ Group Health}$$

$$\$182,000^* \times 55\% \text{ premium written} \times 40\% \text{ 1st year commission} = \$40,000 \text{ Allstate}$$

\$100,000 Annual Revenue



*Average premium per policy sold with Allstate = \$30/month or \$360/year. \$182,000 in premium is about 500 policies sold.