



Agent/Broker compensation 2027 Commission schedule and plan

Fallon Health offers competitive compensation to agents/brokers who sell our Medicare plans. Our standard commission schedule is based on a block of business—agents/brokers are paid for selling both group and individual Medicare plans for new and existing business.

Non-group (individual) sales	
Medicare Advantage plans	Fallon Medicare Plus™ HMO plans and NaviCare®* plans
Initial compensation	\$725 per subscriber
Renewal compensation	\$363 per renewal
Certification requirements	Fallon Health product training and AHIP certification
Medicare Supplement Plans	Fallon Medicare Plus™ Supplement plans
Initial compensation	n/a
Renewal compensation	\$20 per member per month—for enrollments effective 1/1/20-12/31/23. \$10 per member per month—for enrollments effective 1/1/24-12/31/25. Renewal compensation will continue through 6 full years of enrollment for members enrolled 1/1/20-12/31/25.
Certification requirements	Fallon Health Product Training

This Commission schedule is effective January 1, 2027–December 31, 2027.

Medicare Supplement Plan rates are subject to change. Medicare Advantage rates are regulated by CMS.

How does Fallon Health pay agents/brokers who sell Medicare Advantage products?

Fallon Health pays agents/brokers based on the compensation rates and regulations included in the Centers for Medicare & Medicaid Services (CMS) guidelines, which are updated by CMS every year. All agents/brokers must be trained and tested annually on Medicare rules and regulations and on details specific to the plans that they sell. Please refer to the following details specific to CMS compensation and Fallon Health policies and procedures:

Initial compensation may be paid to agents/brokers under the following 3 scenarios:

- 1. The beneficiary's first year of enrollment in an MA plan or MA-PD plan;*
- 2. When a beneficiary enrolls in an "unlike plan type" during their renewal year; or*
- 3. When a beneficiary moves from an employer group plan to a non-employer group plan (either within the same Parent Organization (PO) or between POs).*

* NaviCare HMO SNP and NaviCare NHC HMO SNP

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Renewal compensation may be paid to agents/brokers under the following 3 scenarios:

1. *Following the initial year compensation;*
2. *When a beneficiary enrolls in a new "like plan type" within the same PO or between two different POs; or*
3. *When a beneficiary enrolled in a Medicare-Medicaid Plan (MMP) switches to an MA plan or an MA-PD plan (and vice versa within same PO), if applicable per state MMP policy.*

2027 CMS Compensation for agents/brokers selling Medicare Advantage products

Compensation calculation

CMS regulations: 42 CFR 422.2274(d)(2) and (3) and 423.2274(d)(2) and (3)

The compensation amount paid to an independent agent or broker for an initial enrollment may be paid at or below the fair market value (FMV) cut-off amounts published by CMS annually.

Renewal compensation may be paid for each enrollment in Year 2 and beyond. Renewal compensation may be paid up to fifty (50) percent of the current FMV, published by CMS annually.

Compensation recovery requirements (Charge-backs)

CMS regulations: 42 CFR 422.2274(d)(5)(ii) and 423.2274(d)(5)(ii)

Compensation will be recovered by Fallon Health under 2 circumstances:

1. *Rapid disenrollment—when a beneficiary disenrolls from a plan within the first 3 months of enrollment*
2. *Any other time a beneficiary is not enrolled in a plan*

CMS expects Plans/Part D Sponsors to retroactively pay or recoup funds based on retroactive beneficiary changes (retroactive enrollment/disenrollment) for the current calendar year and the previous calendar year. Plans/Part D Sponsors are not required to recoup or pay compensation for years prior to the previous calendar year. However, if a Plan/Part D Sponsor chooses to recoup payments from a prior calendar year, it must also pay funds retroactively that would have been due during that same year.

Rapid Disenrollment

CMS regulations: 42 CFR 422.2274(d)(5)(iv)

Compensation reports produced by Fallon Health will be audited quarterly for rapid disenrollments in accordance with CMS requirements. Payments will be reduced by the designated rate per enrollment to offset rapid disenrollments incurred.

Adjustment to compensation schedules

Adjustments to compensation schedules are based on CMS guidelines and updated annually. Agents/brokers will be paid an amount that is at or below the adjusted fair market value cut-off amounts.

2027 Fallon Health policies and procedures

To receive compensation, the following policies and procedures must also be followed:

I. Initial documents required in order to be qualified for Fallon Health's Medicare agent/broker compensation:

- "Application for Appointment and Medicare Advantage Products Broker Agreement" signed and dated by the licensed agent and Fallon Health's Broker Relationship Manager.
- Copy of existing Massachusetts producer license, which must be current, in good standing, and renewed within state guidelines.
- Completed, signed, and dated W-9 form. The top line, "Name (as shown on your income tax return)", must match the Social Security number and/or the Employer Identification Number.
- Copy of the declaration page of licensed agent's Errors & Omissions policy showing coverage of at least \$1,000,000; coverage must be maintained and submitted yearly.

II. Changes in Broker of Record:

- Any Agency/Agent/Broker changes to the account must be made by completing Fallon Health's Broker of Record form.
- Enrollments received without an agent/broker/agency name, or the Broker of Record form, will be ineligible for commission.

III. Enrollment process:

- All enrollments must be coded with the agent's/broker's name/agency (*if applicable*) and license number at the end of the application, where indicated.

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- Enrollments can be submitted via:
Online–Sunfire Portal (Fallon Medicare Plus Medicare Advantage and Medicare Supplement plans only)
Email–MedicareSalesBrokers@fallonhealth.org
Fax–1-508-757-0572
Mail–Fallon Health, Attention: Internal Medicare Sales, 1 Mercantile St., Ste. 400, Worcester, MA 01608

IV. Training, testing and certification:

- All agents/brokers must be trained and certified, upon initial set-up and annually, on Medicare rules and regulations, as well as on details specific to the Fallon Health products they are selling.
- All agents/brokers must complete the AHIP certification and Fallon Health's Medicare product-specific certification, with a minimum passing combined score of 85%, prior to selling Fallon Health's Medicare Advantage products.



1-844-848-4931 (TTY 711)
8:30 a.m.–5:00 p.m., Monday–Friday

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