

At Delta Dental, we recognize that brokers are key members of our team. We're pleased to announce a new bonus program for 2020 that rewards brokers for marketing our fully insured group commercial business. **These bonuses are in addition to our standard commission schedule.** Here's what brokers need to know.



What sales are eligible for the Group Commercial Business bonuses?

The bonuses are for new sales and persistency in the fully insured group commercial business. Fully insured commercial groups with Delta Dental PPO™ and Delta Dental PPO Plus Premier™ type plans in New Jersey or Connecticut are eligible.

How is the New Group Commercial Business sales bonus determined?

The new sales bonus is based on **either**:



The number of new fully insured commercial cases sold within the calendar year (January 1 - December 31, 2020); or



The total amount of new fully insured commercial premium in the calendar year (January 1 - December 31, 2020).

New Sales Bonus				
New Sales Bonus Level	New Cases		New Fully Insured Commercial Premium	New Sales Bonus
Level 1	5	OR	\$150,000 - \$499,999	2%
Level 2	15		\$500,000 - \$999,999	3%
Level 3	25		\$1,000,000 or more	4%

Sales must be new, meaning the group must not already offer a Delta Dental plan in New Jersey or Connecticut. Sales are counted based on the effective date of the policy, starting January 1, 2020.

How is the Group Commercial Business persistency bonus determined?

The persistency bonus is for retaining existing fully insured commercial business. Persistency is defined as:

- Groups that were active on December 31, 2019 and remained active on December 31, 2020; and
- Premium was maintained from December 31, 2019 through December 31, 2020. (Persistency is calculated based on the amount of earned premium at the start of the year, not on any premium changes made during the year.)

Brokers have two ways to qualify for the persistency bonus. **Either:**

- Reach New Sales Bonus Level 1, 2, or 3; **or**
- Retain at least \$10,000,000 of annual earned premium (to qualify for Persistency Bonus Level 1)

Persistency Bonus			
Persistency Bonus Level	Persistency 92% - 93.9%	Persistency 94% - 95.9%	Persistency 96% +
Level 1 Bonus	.10%	.25%	.5%
Level 2 Bonus	.20%	.45%	.75%
Level 3 Bonus	.25%	.5%	1%

Total broker bonus payout (for New Sales and Persistency combined) is up to \$100,000 per calendar year.

What else should brokers know?

- This program is for brokers only (not General Agents).
- Bonuses will be calculated after the close of the calendar year, which ends December 31, 2020.
- Premium can be aggregated between states, and/or between associated broker agencies wholly owned by a single entity. Aggregate preferences for an entity are binding once confirmed.
- Brokers must be in good standing and the broker of record on December 31, 2020 to receive the bonuses.
- Brokers who sell public sector group business may also participate in Delta Dental's Public Sector Group Business Bonus Program. These programs operate under separate rules and limitations.
- Delta Dental may terminate this program at any time. Our determination of coverage and bonus level is final.
- If a group has a commission split, premium will be applied to bonus calculations using the split percentage between paid brokers.
- If a group has a paid and a non-paid broker of record, the paid broker will have 100% of premium applied to bonus calculations, and the non-paid broker/consultant will have 0% premium applied.
- If a group has a non-paid broker/consultant only, the non-paid consultant will have 100% of premium applied to bonus calculations.

Sample bonus calculations

New Sales Bonus	
New Policies Sold	5
New Annual Premium	\$45,623.55
New Sales Bonus Level 1	2% bonus
Bonus Paid	\$912.47
OR	
New Policies Sold	2
New Annual Premium	\$365,246.08
New Sales Bonus Level 1	2% bonus
Bonus Paid	\$7,304.92

Persistency Bonus	
New Sales Reached	New Sales Bonus Level 1
Annual Premium	\$452,836.24
Persistency Rate 94.78%	.25% bonus
Bonus Paid	\$1,132.09
OR	
New Sales Reached	N/A
Annual Premium	\$10,358.952.71
Persistency Rate 93.52%	.10% bonus
Bonus Paid	\$10,358.95

Thank you for your partnership with Delta Dental of New Jersey. For more information about our plans and this program, contact your Delta Dental account executive, or our Sales Department: Sales@DeltaDentalNJ.com; 800-624-2633.