



HEALTH ROSETTA

ADVISOR COMPENSATION DISCLOSURE FORM

Advisor: _____ Client: _____

The following is a disclosure of Reportable Compensation the Advisor, the Advisor's Affiliate or Subcontractor will receive or reasonably expects to receive for the period of _____, 202__ through _____, 202__ for services provided to Client as detailed above.

Overview

A key element of the Health Rosetta's mission is to help benefits purchasers like you build transparent, trusted relationships with the advisors that are critical to an effective benefits purchasing process, particularly in today's world of skyrocketing health care costs and limited ability for employees to bear those costs.

Advisor compensation is a small portion of total spend, but the right advisor can guide the way to dramatically and sustainably improving your plan costs and quality. The wrong ones can actually do more harm than good. As a result, the total amount paid to them shouldn't be the primary focus. Disclosing compensation helps build trust and identify potential conflicts.

High-value, forward-leaning advisors are worth their weight in gold. The strategies they use typically improve your bottom line, reduce your employees' out-of-pocket spend, and improve the quality of care they receive. Think of it this way.

Would you rather pay 4% to an advisor who reduces total spend by 15% or 20%, or 3% to one who "negotiates" a 15% increase down to 7%? For every 100 employees on an average plan, you'd save \$247,220 in year 1 and \$1.2 million in 5 years (net of the higher compensation).

Unwillingness to meaningfully and fully disclose all direct and indirect compensation, not just what is required by law, is typically a red flag that an advisor's recommendations and incentives don't align with your interests. Benefits purchasing is full of undisclosed financial and non-financial conflicts that you wouldn't accept elsewhere from other vendors. These make intelligent purchasing decisions difficult.

You can find more resources or contact us at healthrosetta.org/employers to learn more about improving the cost and quality of your health plan, Health Rosetta Advisors, or how we help benefits purchasers.

About Us: The Health Rosetta ecosystem's mission is to help public & private employers and unions sustainably reduce health benefits costs and provide better care for the 150 million Americans that access care through their work. We maintain the Health Rosetta, an ever-evolving, open source blueprint for wisely purchasing benefits sourced from the highest-performing benefits purchasers and experts everywhere.

Overview of Services Provided

Some fees may be estimates and could vary throughout the course of the year. Clients will be notified within 30 days of discovery of any error or omission or within 60 days of any change in the information disclosed below.

The amount of the compensation expected to be received may be expressed in a dollar amount, formula, or per capita fee. If the amount cannot be expressed in one of those terms, the advisor may use any other reasonable method to describe the amount of compensation that will be received in connection with the services, including a statement that additional compensation that cannot be calculated at the time of the agreement, the circumstances under which the compensation is received and a reasonable good faith estimate of the amount or methodology for calculating.

Service/Coverage Line	Payor of Compensation	Monetary Y/N	Direct/Indirect/ Other Type of Comp	Paid to Advisor/Affiliate /Subcontractor	Amount of Compensation
Medical					
Rx					
Dental					
Vision					
Stop loss					
EAP					

FSA					
Group Life					
AD&D					
LT Disability					
ST Disability					
Cancer					
Critical Illness					
Wellness					
Disease Mgmt.					
Broker/Consulting Fee					
Medical Mgmt.					
Stop Loss Insurance					
Third Party Administration Services					
Recordkeeping Services					
Benefit Administration					
Transparency Tools/Vendors					
Compliance Services					
Other					
Total Annual Amount					\$

- Are you, your firm, your affiliates or subcontractors serving in a fiduciary capacity in any of the above-referenced services?
☐ Yes (please describe below) ☐ No
- Will you, your firm, your affiliates or subcontractors receive compensation in connection with the termination of a contract?
☐ Yes (please describe below) ☐ No
- Are any compensation multipliers or other bonuses applicable to the above categories of compensation?
☐ Yes (please describe below) ☐ No

If yes, are they included in the above dollar amounts?
☐ Yes ☐ No
- Do you, your firm, your affiliates or subcontractors accept any non-account specific financial compensation from any products, services, or vendors you're recommending, including, but not limited to, contingent or bonus commissions, override or retention bonuses, and back-end commissions.
☐ Yes (please describe below) ☐ No
- Do you, your firm, your affiliates or your subcontractors have any other financial or non-financial compensation, potential conflicts of interest, or incentives related to products, services, or vendors you're recommending, including, but not limited to, ownership, equity stakes, revenue/profit sharing, GPO/coalition participation, preferred vendor panels, conferences or trips, or personal relationships.
☐ Yes (please describe below) ☐ No
- Are there any potential reasons that could result in the above costs of services or compensation to vary more than 10% from the above projections?
☐ Yes (please describe below) ☐ No



Health Rosetta

Please describe details related to any questions to which you answered yes above, including the specific, expected, or estimated dollar value. Attach additional pages if necessary.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

[warranty and representation from Advisor and Client follow on next page]

Advisor Warranty and Representation

I, _____, hereby warrant and represent that the above disclosures of reportable compensation are true and accurate to the best of my knowledge. I understand and agree that should any of the information change during the term of the agreement with the client, I will provide written notice within 60 days of becoming aware of such change.

Name (printed):	_____
Signature:	_____
Date:	_____

Client Warranty and Representation

I, _____, hereby warrant and represent that the above disclosures of reportable compensation have been received by _____ on _____ (date). I further represent and warrant that I am authorized to act as a fiduciary on behalf of the group health plan(s).

Name (printed):	_____
Signature:	_____
Date:	_____