

NEW AGENT DATA

PLEASE PRINT OR TYPE

Date _____

Name: Last, First Mid Social Security Number DOB

Resident Address City ST Zip

Mailing Address (if different from above) City ST Zip

Cell Phone Work Phone Home Phone Alt Phone

Email Address Fax Number

for BCBS Appointments only-

Plans for Life, Inc is the Sub GA in an agreement with Elite Marketing Group (GA)

You are getting world class support by The Copeland Group (Elite Marketing Group) and Plans for Life, Inc as the Sub GA. The Copeland Group has agreed to work with us as a Sub GA, and share the override they would be compensated by BCBS



Copeland Insurance
Group

Mel Copeland
CEO

I, _____ confirm and expressly approve, Copeland Group to assign my broker coordinator at Copeland its affiliates and/or assigns, to electronically submit my paper producer agreement, appointment and/or contract to BCBSTX, its affiliates and/or assigns. Said producer agreement, appointment and/or contract is legally binding and enforceable.

Agent and/or Agency Name: _____

Signature: _____

Date: _____



Start Over Interview Questions Maximize Save & Exit

Background Information

Explain all YES responses

- | | | |
|---|--|---|
| <p> 1. Has your license to sell insurance or HMO products ever been denied, suspended or revoked by any state?</p> <p> 2. Have any complaints been filed against you with any insurance regulatory board, agency or department of insurance within the last five years?</p> <p> 3. Have you ever been denied appointment or renewal appointments by any insurance/and or managed care company?</p> <p> 4. Have you ever been a party to a lawsuit relating to insurance or managed care coverage?</p> <p> 5. Have any settlements ever been made on your behalf?</p> <p> 6. Are there any claims or lawsuits presently pending against you?</p> <p> 7. Have you ever been convicted of a crime other than minor traffic violations?</p> <p> 8. Are you indebted to any policy holder or insurance company or managed care company?</p> <p> 9. Is there any objection to an inspection report at HCSC's expense?</p> | <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> | <p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p> |
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Producer Agreement

Enclosed you will find Producer Information, Producer Agreement, Addendums, Compensation Schedules, Appointment Information, and other pertinent information to initiate your relationship with Health Care Service Corporation.

If you encounter any questions or require additional information please contact Producer Service Center at the below provided information.

Health Care Service Corporation
Producer Administration / Producer Service Center
Producer_Service_Center@hcsc.net
1-855-782-4272 Phone
1-918-549-3039 Fax

Divisions of Health Care Service Corporation, a Mutual Legal Reserve Company an
Independent Licensee of the Blue Cross and Blue Shield Association



Contracting Checklist

Producer Name: _____

Agency Name, if applicable: _____

Tax ID/SSN: _____

Required Paperwork		
		Comments
Standard Agreement	<input type="checkbox"/>	To be completed in full and signed by the individual producer or authorized principal producer of the agency requesting contracting. Only one agreement is necessary for all approved contracting states. Not applicable to subproducers.
Producer Information Form	<input type="checkbox"/>	To be completed in full. For agencies: must be completed by the principal producer, who must also provide their information in the "Individual" section of the form. For individual producers: must be completed in full; bypass the "Agency" section of the form. For subproducers: must be completed in full; bypass the "Agency" section of the form, and be sure to complete question 15 of the "Individual" section.
Errors & Omissions Coverage	<input type="checkbox"/>	All producers, subproducers, and agencies must provide evidence of E&O coverage, in the minimum amount of \$500,000 per occurrence and \$500,000 aggregate.
Electronic Funds Transfer Form and Voided Check	<input type="checkbox"/>	Participation in the EFT program is required for monthly commission payment. Producers who opt out of the program will receive quarterly checks. A voided check is required as part of the EFT form. EFT forms are state-specific. There can be a total of four forms. Not applicable to subproducers.
Copy of State License	<input type="checkbox"/>	A copy of the producer's, subproducer's, and agency's state license for all applicable states is required.
W-9 Form	<input type="checkbox"/>	A W-9 form is required for all individual producers, subproducers, and agencies.

All appointment fees will be deducted from the first month's commissions. Fees are incurred per entity, per line of business: \$20 for New Mexico; \$30 for Oklahoma; \$13.50 for Texas.

Example: Producer John Doe is to be appointed for HCSC and HISC in Oklahoma and Texas. Total appointment fee would be \$60 in Oklahoma and \$27 in Texas.

Agencies will also incur appointment fees, with the exception of New Mexico. Subproducers in Texas are not appointed with HCSC, only HISC if requested.

All documents should be submitted to the Producer Service Center via email (Producer_Service_Center@hcsc.net) or fax (918) 549-3039.

Please contact the Producer Service Center at (855) 782-4272 with any questions or concerns.

Producer Information Page

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- 1) Please indicate which state(s) contracting is being requested? Illinois New Mexico Oklahoma Texas
- 2) Please indicate the market segments to be sold and serviced? Consumer Group BlueLincs HMO (OKLAHOMA ONLY)
- 3) Please indicate whether contracting is for an Agency or Individual? Individual Agency
-

If Agency – PLEASE COMPLETE THIS SECTION

4) What type of Agency?

a) Corporation

Please provide the names of each officer with contracting authority.

b) Partnership

Please provide the names of each partner in the agency with contracting authority.

c) Limited Liability Company (LLC)

Please provide the names of each manager or member, as applicable with contracting authority.

d) Other

Please provide the names of each officer with contracting authority.

AT LEAST ONE PRINCIPAL OF THE AGENCY MUST COMPLETE THE INDIVIDUAL SECTION BELOW AND BE A LICENSED PRODUCER IN GOOD STANDING.

5) What is the name of the agency as reflected on the accident and health resident state insurance license?

6) What is the agency's accident and health resident state insurance license effective date & renewal date?

Effective Date Renewal Date

7) What state is the agency's accident and health resident license located?

8) What is the agency's accident and health resident state license number?

9) Has the agency's accident and health license ever been suspended, revoked or terminated in any of the states where contracting is requested? No Yes

If Yes, Please provide a short description:

10) Is there any objection to an inspection report at our expense? No Yes

11) What is the agency's Tax ID number where commissions are to be paid?

12) What is the location address of the agency?

Address

City State Zip

13) Is the mailing address the same as the location address of the agency? No Yes

If no please complete:

Mailing Address

City State Zip

14) What is the email address and phone number that the agency may be contacted at for any important notifications or communications?

Email Address

Phone Number Fax Number

If Individual - PLEASE COMPLETE THIS SECTION

15) Are you a sub producer for an agency? No Yes

If yes, what is the name of the agency?

16) What is the name of the individual as reflected on the individual's resident state insurance license?

17) What is the individual's accident and health resident license effective date & renewal date?

Effective Date Renewal Date

18) What state is the individual's accident and health resident state license located?

19) What is the individual's accident and health resident state license number?

20) What is the individual's social security number?

21) What is the location address of the Individual?

Address

City State Zip

22) Is the mailing address the same as the location address of the individual? No Yes

If no please complete:

Mailing Address
City State Zip

23) Has the individual's accident and health license ever been suspended, revoked or terminated in any of the states where contracting is requested? No Yes

If Yes, Please provide a short description:

24) Is there any objection to an inspection report at our expense? No Yes

25) What is the individual's National Producer Number (NPN?)

26) What is the email address and phone number that the Individual may be contacted at for any important notifications or communications?

Email Address
Phone Number Fax Number

ERRORS AND OMISSIONS COVERAGE IS REQUIRED – PLEASE COMPLETE THIS NEXT SECTION

27) What is the E&O Carrier Name?

28) What is the Policy Effective Date? What is the Policy Renewal Date?

29) What is the Policy Number #?

30) What are the coverage amounts? Per Claim: Aggregate:

Individual Name Signature

Date

Authorized Signature for Corporation

Date

To be completed by HCSC:

Illinois Producer Number: New Mexico Producer Number:

Oklahoma Producer Number: Texas Producer Number:

PRODUCER AGREEMENT

THIS PRODUCER AGREEMENT (“Agreement”) is made and entered into this ___ day of _____, 201__ by and between Health Care Service Corporation, a Mutual Legal Reserve Company (“HCSC”), and [Producer/Agent] (“Producer”).

This Agreement is established for the sole purpose of authorizing Producer access to HCSC insurance products and policies for the purpose of submitting applications to HCSC for insurance products and policies as set forth in the “Consumer Markets Producer Compensation Schedule(s),” and the “Group Markets Producer Compensation Schedule(s)” (together, the “Compensation Schedules”) for each applicable state and which are attached and incorporated herein. The parties agree as follows:

I. TERMS AND CONDITIONS

1.01 Appointment of Producer.

HCSC hereby appoints Producer as an agent with the power to solicit applications for issuance of HCSC’s insurance policies and products which are listed in the Compensation Schedules attached hereto, and to assist and support HCSC in renewal and service of HCSC insurance policies and products. All applications submitted will conform to HCSC’s underwriting guidelines and policies and procedures. No coverage will be effective until applications are approved by HCSC. Producer has a duty to verify all information on applications and to immediately notify HCSC of any change in information submitted on applications. HCSC reserves the right, at its sole discretion, to revise, discontinue, withdraw or change any rates, or policy form(s) or to retire products from any geographic market.

1.02 Limits of Authority.

Producer has no authority to do or perform, and expressly agrees not to perform the following acts on behalf of HCSC or its agents, affiliates or subsidiaries: (a) incur any indebtedness or liability; (b) waive, alter, modify or change any of the terms, rates, provisions or conditions of coverage; (c) modify or extend the amount or time of any premium payment due HCSC; (d) make, alter, or discharge contracts; (e) quote rates other than quoted by HCSC; or (f) make any representations with respect to HCSC’s insurance policies or products except as may be contained in the written materials prepared and furnished to Producer by HCSC. Without limiting the generality of the foregoing, in no event shall Producer be authorized to act outside of the scope of an “agent” or “producer” as such terms (which are used interchangeably in this Agreement), or comparable terms, are defined under the Applicable Laws of each respective state where Producer is acting on behalf of HCSC. “Applicable Laws” means all applicable federal, state and local laws, statutes, ordinances, codes, rules, regulations, standards, orders and other governmental requirements of any kind.

1.03 HCSC Divisions and Affiliates.

The parties acknowledge that HCSC conducts its insurance business through its respective state operating divisions of Blue Cross and Blue Shield of Illinois, Blue Cross and Blue Shield of Texas, Blue Cross and Blue Shield of New Mexico, and Blue Cross and Blue Shield of Oklahoma. For purposes of this Agreement, the term “HCSC” includes each such operating division, as well as any additional divisions, subsidiaries or affiliates through which it may at any time conduct all or a portion of its group or consumer health insurance business.

1.04 Authorized States and Lines of Business.

- (a) Set forth on the signature page hereto is a list of the state(s) in which Producer is authorized to act on behalf of HCSC. To the extent there are specific terms applicable to the relationship between HCSC and Producer with respect to business conducted in such state, attached to this Agreement will be an addendum for any such state, as applicable (the “State Addendums”). Producer’s appointment with respect to any particular state, including the related State Addendum and Compensation Schedules, as applicable, may be individually terminated in accordance with the procedures set forth in Article VI below. Termination of Producer’s authority in any state shall not automatically result in the termination of this Agreement as to any other state.
- (b) Producer may not solicit applications for issuance of HCSC’s, or any of its subsidiaries, Medicare Advantage plans and/or Medicare Part D plans nor assist and support HCSC, or any of its subsidiaries, in the renewal and service of Medicare Advantage plans and/or Medicare Part D plans unless Producer has completed all necessary training(s) and certification(s) and has executed the appropriate Medicare

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Advantage/Part D Plan Amendment to this Agreement and is appointed by HCSC or any such subsidiary, if applicable.

1.05 Producer of Record.

HCSC will not recognize any retroactive appointment, or transfer of Producer's appointment, as a Producer of Record. Producer of Record letters or requests must be submitted in writing by, as applicable, an individual applicant or on a group's letterhead and signed by an authorized person.

1.06 Compliance.

Producer shall maintain its license to sell and solicit insurance and be in good standing with the respective state's insurance division. Without limiting the foregoing, Producer shall comply in all respects with all Applicable Laws in the conduct of its business and in the performance of its obligations or exercise of its rights hereunder. Producer shall pay all expenses in connection with Producer's business, including the cost of compliance with Applicable Laws. Producer agrees to notify HCSC immediately of any termination, suspension or expiration of Producer's license in any applicable state. Producer must promptly submit upon HCSC's request at any time a facsimile of its license(s). Producer shall pay the fee required of HCSC to appoint, or renew, Producer where required by Applicable Law, which fee HCSC may submit on behalf of Producer and offset as an adjustment to future compensation.

1.07 Collection of Premium.

Producer is authorized to collect the initial premium only which must be made payable to HCSC in an acceptable form of payment other than cash as determined by HCSC which may include, but is not limited to, an applicant's bank draft or money order. Producer shall promptly report and remit to HCSC all initial premium collections without commingling such premiums.

1.08 Representations.

Producer represents and warrants to HCSC that: (a) it has the right, power and authority to enter into this Agreement; (b) HCSC's appointment of Producer as an agent in no way caused or induced, or will cause or induce, Producer to be in breach of any other obligations, whether contractual or otherwise; (c) Producer has complied and will comply with all Applicable Laws, including those regarding necessary business permits, certificates, licenses and the like which may be required for Producer to fulfill its obligations under this Agreement; and (d) neither Producer, nor to the best of Producer's knowledge, any of its employees, agents or affiliates, has been convicted of or had a civil judgment rendered against them regarding dishonesty or breach of trust, including, but not limited to, the commission of a fraud, violation of a fiduciary relationship, violation of Federal or state antitrust statutes, securities offenses, embezzlement, theft, forgery, falsification or destruction of records, making false statements, tax evasion or receiving stolen property, or any felony.

Producer further represents and warrants to HCSC that neither the Producer nor its employees, agents or affiliates have been: (1) charged with a criminal offense involving government business, (2) listed by a federal government agency as debarred, (3) proposed for debarment or suspension, or (4) otherwise excluded from federal program participation. Producer acknowledges and agrees that it has a continuing obligation to notify HCSC in writing within seven (7) business days if any of the representations in this Section 1.08 change.

1.09 Subproducer and/or Subagent.

- (a) For purposes of this Agreement, the term Subproducer and/or Subagent is defined as an independent contractor, affiliate, agent or other persons who are not employees of Producer. Producer may select and contract with one or more Subproducers to assist Producer in representing HCSC in accordance with the terms and conditions of this Agreement. HCSC, however, reserves the right at all times to refuse to allow any such Subproducer to assist Producer in representing HCSC. Upon HCSC's request at any time, Producer shall promptly furnish HCSC with the names and other such information regarding the Subproducer requested by HCSC. All contracts with a Subproducer shall be between Producer and such Subproducer. Producer retains the responsibility of recruiting, training, supervising, and disciplining all Subproducers. Producer will ensure that all of its Subproducers attend any training or certification required from time to time by HCSC or under Applicable Law. Producer shall exercise direction over the Subproducers to comply with HCSC standards, guidelines, and rules in all transactions of HCSC business. Producer is responsible for the fidelity and honesty of its Subproducers and for the funds collected and business done or entrusted to its Subproducers.

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- (b) Producer acknowledges that HCSC shall not have any obligation to pay compensation to any Subproducer, and that no Subproducer shall have any direct claims against HCSC for compensation or for any other matter arising out of this Agreement.
- (c) Producer agrees that Subproducer will comply with any representations, obligations and duties of Producer set forth in this Agreement and any obligations of a producer/agent or subproducer/subagent under Applicable Laws. Producer further acknowledges the acts and failures to act of its Subproducer as the acts and failures to act of Producer and assumes the responsibility to HCSC with respect thereto.

1.10 Errors and Omissions Coverage.

Producer agrees that for the term of this Agreement, Producer shall at all times be covered by an errors and omissions policy of insurance in full force and effect. Upon request, Producer shall provide HCSC with a copy of a certificate of coverage which coverage shall not be permitted to lapse unless at least 30 days prior written notice has been given to HCSC.

1.11 Rules and Regulations.

- (a) Producer agrees to abide by all HCSC rules and regulations in effect at any time during the term of this Agreement. Without limiting the generality of the foregoing, in doing so Producer agrees to NOT:
 - (i) Make any untrue statements or misrepresentations or omit any material fact concerning the insurance involved;
 - (ii) Rebate or offer to rebate all or any part of the premium on a policy of insurance issued or to be issued by carriers named herein;
 - (iii) Withhold any money or property of HCSC; or
 - (iv) Use HCSC's name (or the name of any of its divisions, subsidiaries or affiliates), corporate service marks or trade marks or any derivation of these names or marks without the prior written consent of HCSC.
- (b) Producer shall only use sales literature, letters or advertising material furnished by HCSC or approved in writing by HCSC. In addition, Producer shall make no modification (whether in form, content or otherwise) to any sales literature and advertising materials furnished and/or approved in writing by HCSC, including those provided by HCSC for use with electronic media. Producer shall not use any sales literature, letters or advertising material furnished by HCSC prior to the date Producer is authorized to do so by HCSC. When posting materials electronically on a website, Producer is solely responsible for the accuracy of the information and documents presented on that website. HCSC reserves the right, at its sole discretion, to audit Producer's website.

II. COMPENSATION

2.01 Commissions.

All commissions will be paid in accordance with the applicable state Compensation Schedules and will be payable only when premiums are actually received and allocated by HCSC in and for the period for which the payment is intended, and only if Producer has complied with the terms and conditions of this Agreement and guidelines set.

- (a) No compensation will be due to Producer for (i) any application rejected by HCSC, (ii) premiums returned by HCSC upon cancellation of coverage, (iii) any rescinded policy and (iv) no commissions shall be due on any interest on due and unpaid charges.
- (b) Unless provided herein, compensation will automatically terminate with respect to products issued in a particular state if (i) Producer fails to maintain a valid unrestricted producer's license in such state or shall fail to otherwise comply with requisite Applicable Law, or (ii) upon termination of the applicable State Addendum or (iii) if Producer ceases to be the designated Producer of Record. Upon termination of any insurance product sold hereunder, compensation payable pursuant to the applicable Compensation Schedules shall cease at the end of the month in which such termination occurs. Commissions will be paid

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up until, and including, the month corresponding to the producer's termination date, unless otherwise provided for by state law.

2.02 Payment of Commissions.

- (a) Commissions are payable monthly, as determined by HCSC, following the month of receipt and allocation by HCSC of the premium charges on which the commission is payable, by line of coverage. Payment of compensation will be delayed until Producer is owed a minimum of \$50.00. Direct Deposit is required for monthly distribution of commissions. If commissions are paid by check, distribution will be made quarterly.
- (b) The Compensation Schedules may be changed at any time by an amendment signed by Producer and HCSC, or unilaterally by HCSC by written notice to Producer thirty (30) days in advance of such amendment. Any such amendment made by written notice from HCSC shall be applicable to all products or insurance contracts and become effective according to the date and terms set forth in the Compensation Schedule.

2.03 Return of Overpayment; Right to Offset.

In the event any compensation has been overpaid to Producer, Producer shall make the appropriate refund upon demand by HCSC. HCSC shall at all times have a lien on commissions due or to become due to Producer to the extent of any indebtedness of Producer to HCSC (including overpayments), and may at any time in its sole discretion offset any monies due to HCSC against any compensation payable under this Agreement.

2.04 Disclosure.

HCSC will disclose to any individual policyholder or group, upon request, the amount of commission and fees being paid to Producer related to such individual's or group's coverage. Producer agrees to cooperate with HCSC in the dissemination and accurate disclosure of this information.

2.05 Maintenance of Records.

Producer shall maintain all financial and non-financial records and supporting documentation relating to this Agreement during the term of the Agreement and for a period of five (5) years after termination of this Agreement.

2.06 Reports and Audits.

Producer shall permit HCSC to audit, examine and make excerpts or transcripts from any records maintained in accordance with Section 2.05 and to make audits of all data relating to matters under this Agreement. Without limiting the generality of the foregoing:

- (a) Producer agrees to remit to HCSC any reports of Producer activities as requested by HCSC.
- (b) HCSC shall have the right to audit Producer's accounts subject to this Agreement at such reasonable time and place as agreed to by the parties.
- (c) Producer agrees to reimburse HCSC for the expenses of any audit arising out of fraud or intentional misrepresentation of Producer, its employees or Subproducer.

III. HIPAA BUSINESS ASSOCIATE PROVISIONS

3.01 Definitions.

Producer and HCSC agree that Producer is a "Business Associate" of HCSC as that term is defined by the Health Insurance Portability and Accountability Act and its implementing regulations (45 CFR Parts 160 – 164) ("HIPAA" or "Privacy Rule" or "Security Rule" or "Electronic Transactions Rule") and the requirements of the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009 and the implementing regulations, that are applicable to business associates ("HITECH"). Producer and HCSC agree to incorporate into this Agreement any

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regulations issued with respect to HITECH that relate to the obligations of business associates. Capitalized terms used in this Section III, and not otherwise defined herein, shall have the meanings set forth in HIPAA, which definitions are hereby incorporated by reference. For purposes of this Section III, Producer is alternatively referred to as "Business Associate" or "BA" and HCSC as "Covered Entity" or "CE". BA recognizes and agrees that it is obligated by law to meet the applicable provisions of HITECH.

3.02 Obligations and Activities of BA.

- (a) BA agrees to use or disclose Protected Health Information ("PHI") only as permitted or required by this Agreement or as required by Applicable Law.
- (b) BA agrees to use appropriate safeguards to prevent Use or Disclosure of PHI other than as provided for in this Agreement. BA agrees to implement administrative, technical, and physical measures that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic PHI that BA creates, receives, maintains, or transmits on CE's behalf as required by the Security Rule, 45 C.F.R. Part 164, Subpart C and as required by Section 13401 of HITECH.
- (c) BA agrees to mitigate, to the extent practicable, any harmful effect that is known or should be known to BA of a Use or Disclosure of PHI by BA in violation of the requirements of this Agreement.
- (d) BA agrees to report to CE any Use or Disclosure of the PHI not provided for by this Agreement of which it becomes aware. BA will make the written report to CE not less than 3 business days after BA learns of such unauthorized Use or Disclosure. BA's written report will at least: (i) identify the nature of the unauthorized Use or Disclosure; (ii) identify the PHI used or disclosed; (iii) identify who made the unauthorized Use or received the unauthorized Disclosure; (iv) identify what BA has done or will do to mitigate any deleterious effect of the unauthorized Use or Disclosure; (v) identify what corrective action BA has taken or will take to prevent future similar unauthorized Use or Disclosure; and (vi) provide such other information, including a written report, as reasonably requested by CE.
- (e) BA will report, following discovery and without unreasonable delay, but in no event later than five (5) days following discovery, any "Breach" of "Unsecured Protected Health Information" as these terms are defined by the HITECH Act and any implementing regulations. Business Associate shall cooperate with CE in investigating the Breach and in meeting the CE's obligations under the HITECH Act and any other security breach notification laws. Any such report shall include the identification (if known) of each individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such Breach.
- (f) BA agrees to report to CE any successful (i) unauthorized access, Use, Disclosure, modification, or destruction of Electronic PHI or (ii) interference with BA's system operations in BA's information systems of which BA becomes aware. BA will make such report to CE's Privacy Office within five (5) business days after BA learns of any successful security incidents. To avoid unnecessary burden on either party, BA will only be required to report, upon the CE's request, attempted, but unsuccessful, unauthorized access, Use, Disclosure, modification, or destruction of the CE's Electronic PHI or interference with system operations in BA's information systems that involve the CE's Electronic PHI of which BA becomes aware; provided that the CE's request shall be made no more often than is reasonable based upon the relevant facts, circumstances and industry practices.
- (g) BA agrees to ensure that any agent, including a Subagent or subcontractor, to whom it provides PHI received from, or created or received by BA on behalf of, CE agrees in writing to substantially the same restrictions and conditions and security measures that apply through this Agreement to BA with respect to such information.
- (h) BA agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the Use and Disclosure of PHI received from, or created or received by BA on behalf of, CE

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available to the CE, or to the Secretary, in a time and manner as reasonably requested by CE or designated by the Secretary, for purposes of the Secretary determining CE's compliance with the Privacy Rule.

- (i) BA agrees to document such Disclosures of PHI and information related to such Disclosures as would be required for CE to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 CFR § 164.528 and HITECH.
- (j) BA agrees to provide to CE or an Individual, in a time and manner mutually acceptable to BA and CE, information collected in accordance with paragraph 3.02 (i) of this Agreement, to permit CE to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 CFR § 164.528 and HITECH.
- (k) BA agrees to provide access, at the request of CE, and in the time and manner as reasonably requested by BA and CE, to PHI, to CE or, as directed by CE, to an Individual in order to meet the requirements under 45 CFR § 164.524 and HITECH.
- (l) BA agrees to make any amendment(s) to PHI that the CE directs or agrees to pursuant to 45 CFR § 164.526 at the request of CE or an Individual, and in the time and manner mutually agreed to by the parties.
- (m) BA agrees to follow CE's privacy policies and procedures as CE may deem applicable to BA. CE shall make such privacy policies and procedures available for BA.
- (n) In those instances when BA may conduct Standard Transactions on behalf of the CE, BA will comply with the HIPAA requirements for Standard Transactions and Data Code Sets pursuant to 45 CFR § Parts 160 and 162.

3.03 Permitted Uses and Disclosures by BA.

BA may use or disclose PHI to perform functions, activities, or services for, or on behalf of, CE as specified in paragraph 3.03 (a) of this Agreement, provided that such Use or Disclosure would not violate the minimum necessary and/or Limited Data Set requirements of the Privacy Rule and HITECH or the Minimum Necessary policies and procedures of the CE.

- (a) The following functions, activities or services by BA shall be considered to be performed for, or on behalf of CE in BA's capacity as a BA:
 - (i) Soliciting insurance on behalf of CE;
 - (ii) Transmitting an application for insurance or policy of insurance to or from CE;
 - (iii) Receiving or delivering a policy of insurance for CE; or
 - (iv) Receiving, collecting, or transmitting any initial premium of insurance as required by CE.
 - (v) Receiving, verifying or submitting enrollment and/or eligibility information for CE.
- (b) Except as otherwise limited in this Agreement, BA may use PHI for the proper management and administration of the BA or to carry out the legal responsibilities of the BA.
- (c) Except as otherwise limited in this Agreement, BA may disclose PHI for the proper management and administration of the BA, provided that the disclosures are Required By Law, or BA obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the BA of any instances of which it is aware in which the confidentiality of the information has been breached.
- (d) Except as otherwise limited in this Agreement, BA may use PHI to provide Data Aggregation services to CE as permitted by 45 CFR § 164.504(e)(2)(i)(B).
- (e) BA may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR § 164.502(j)(1).

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3.04 Obligations of CE.

- (a) CE shall notify BA of any limitation(s) in its notice of privacy practices of CE in accordance with 45 CFR § 164.520, to the extent that such limitation may affect BA's Use or Disclosure of PHI.
- (b) CE shall notify BA of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect BA's Use or Disclosure of PHI.
- (c) CE shall notify BA of any restriction to the Use or Disclosure of PHI that CE has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect BA's Use or Disclosure of PHI.

3.05 Permissible Requests by CE.

CE shall not request BA to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by CE, unless otherwise noted in this Agreement.

3.06 Miscellaneous Provisions.

- (a) Regulatory References. A reference in this Agreement to a section in the Privacy Rule, Security Rule or HITECH means the section as in effect or as amended.
- (b) Response to Subpoenas. In the event that BA receives a subpoena or similar notice or request from any judicial, administrative or other party arising out of or in connection with the Agreement, including, but not limited to, any unauthorized Use or Disclosure of PHI or any failure in BA's security measures, BA shall immediately forward a copy of such subpoena, notice or request to CE and afford CE the opportunity to exercise any rights it may have under the law.
- (c) Effect of Termination of Agreement. Except as provided below, upon termination of this Agreement, for any reason, BA shall return or destroy all PHI received from CE, or created or received by BA on behalf of CE. This provision shall also apply to PHI that is in the possession of subcontractors or agents of BA. BA shall retain no copies of the PHI. In the event that BA determines that returning or destroying the PHI is infeasible, BA shall provide to CE written notification of the conditions that make return or destruction infeasible. BA shall extend the protections of this Section III to such PHI and limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as BA maintains such PHI.

IV. CONFIDENTIALITY AND PROPRIETARY RIGHTS

4.01 Confidential Information.

- (a) The obligations under this Section IV are in addition to the requirements set forth in Section III above. During the term of this Agreement, Producer shall protect HCSC's Confidential Information using the same degree of care as it uses to protect its own Confidential Information of like nature, but no less than a reasonable degree of care and no less than the standard of care required by Applicable Law.
- (b) The term "Confidential Information" shall mean all information in any form or media, whether received before or after the date of this Agreement, that relates to HCSC's business and that is provided or made available to Producer pursuant to, or in connection with, this Agreement. Confidential Information shall include, but not be limited to, proprietary software and other intellectual property, tools, methodologies, techniques, processes, inventions, company financial planning and financial data, business plans and strategies, products, contractual agreements, pricing, charges, fees, and compensation and any other information that reasonably should be understood to be confidential to HCSC.

PRODUCER AGREEMENT

- (c) Confidential Information will not include information that can be shown, through written documentation or otherwise, to have: (i) entered the public domain without breach by Producer or any right of HCSC, (ii) been known to Producer prior to the time of disclosure and without violation of any right of HCSC, (iii) been released by HCSC to any other person or entity without restriction, (iv) been independently developed without using or referencing any Confidential Information, (v) been obtained from a third party source and reasonably believed to be obtained without violating any obligation of confidentiality of such source to HCSC, or (vi) is required to be disclosed by law, subpoena, or other legal process, provided that Producer provides prompt notice to HCSC of such request or requirement to disclose such that HCSC may at its option seek an appropriate protective order or other remedy.

4.02 Ownership of Information.

All HCSC Confidential Information and printed materials, applications, sales literature and other written materials which HCSC may furnish to Producer shall remain the property of HCSC, and will be immediately delivered to HCSC upon its request. HCSC Confidential Information shall not be used in any manner by Producer, its employees, agents or subcontractors other than in performance of its obligations to HCSC pursuant to this Agreement, and the Confidential Information shall not be disclosed, sold, assigned, leased or otherwise provided to third parties by Producer, its agents or subcontractors. If Producer learns of any unauthorized use or disclosure of any Confidential Information, it will promptly notify HCSC, and will reasonably cooperate with HCSC to secure, recover and preclude unauthorized use of such Confidential Information.

4.03 Reservation of Rights in Blue Cross & Blue Shield Service Marks.

Subject to its licensing agreements with the Blue Cross and Blue Shield Association, a national trade association, HCSC retains exclusive rights to use the names and symbols Blue Cross and Blue Shield of Illinois, Blue Cross and Blue Shield of Texas, Blue Cross and Blue Shield of New Mexico, and Blue Cross and Blue Shield of Oklahoma together with any distinctive names, trademarks, logos, brands or service marks. Producer agrees not to use the distinctive names, trademarks, logos, brands or service marks or any derivative of them in any manner or for any purpose during the term of this Agreement.

V. INDEMNIFICATION & LIABILITY

5.01 Indemnification.

Producer will indemnify and hold harmless HCSC and any HCSC affiliate, trustee, officer, director, employee, volunteer, or agent from and against any lawsuits, damages, losses, fines, penalties, claims, causes of action, liabilities, costs or expenses, including attorney's fees and court or proceeding costs (collectively, "Claims"), arising out of or in connection with Producer's negligence, willful acts or omissions, any breach of the terms of this Agreement or unauthorized or illegal act, violation of Applicable Law, misrepresentation and/or omission by Producer or any person or entity under Producer's control (including employees and Subagents), including, without limitation, any unauthorized Use or Disclosure of PHI or any failure in security measures affecting PHI or any failure in security measures affecting PHI.

5.02 Defense of Claims.

HCSC (a) will promptly notify Producer in writing of any Claim, (b) may give Producer the opportunity to arrange and direct the defense of the Claim at Producer's sole expense, (c) will give Producer all necessary and reasonable information and assistance for the defense of the Claim, if HCSC offers and Producer elects to defend the Claim, and (d) may, at its option, conduct the defense or settlement of any Claim. If HCSC elects to defend or settle a Claim, Producer will fully cooperate with such defense or settlement, and such election to defend or settle a Claim shall not negate Producer's indemnification obligations hereunder.

VI. TERMINATION

6.01 Termination Without Cause.

Either party may terminate the Agreement without cause by providing the other party with written notice at least thirty (30) days prior to the termination date.

6.02 Termination For Cause.

HCSC may terminate this Agreement for cause as set forth below.

PRODUCER AGREEMENT

- (a) Upon HCSC's knowledge of a breach by Producer, HCSC may notify Producer and provide an opportunity for Producer to cure the breach within a time period specified in such notice. This Agreement will automatically terminate if Producer fails to cure such breach to HCSC's reasonable satisfaction upon the expiration of such time period.
- (b) HCSC may immediately terminate this Agreement without opportunity to cure for any of the following reasons, which termination shall be effective upon HCSC's mailing of the notice:
 - (i) Commingling or misappropriation of any money or other property belonging to HCSC;
 - (ii) Failure to deliver any health care policies/plans issued and given to Producer for delivery;
 - (iii) Failure to deliver to HCSC any receipts or other property belonging to HCSC;
 - (iv) Violation of any Applicable Law, any HCSC procedures or any material term of this Agreement; or
 - (v) Commission of any dishonest act in connection with the sale or solicitation of insurance products or any failure of Producer's representations and warranties in subsections (c) and (d) of Section 1.08 to remain true and correct.

6.03 Automatic Termination.

This Agreement will terminate automatically without notice upon the occurrence of any of the following: (a) if Producer is an individual, upon the death of Producer (in which case Producer's estate shall be entitled to receive any unpaid commissions earned by Producer prior to such termination); (b) if Producer is an entity, (i) the dissolution, whether voluntary or involuntary, of Producer, (ii) a sale of substantially all of the assets of Producer, (iii) any merger, consolidation or reorganization where Producer is not the surviving entity, or (iv) any sale or disposition of the capital stock or other equity interests of Producer pursuant to which the person or persons holding a majority of such equity interests prior to such transaction no longer hold a majority interest; or (c) revocation or termination of Producer's requisite licensure.

6.04 Notification.

In the event of termination of this Agreement under any of the above provisions, HCSC may notify the groups or individuals serviced by the Producer of the Producer's termination status.

VII. GENERAL PROVISIONS

7.01 Notices.

Any notices pertaining to this Agreement shall be given in writing and shall be deemed duly given when personally delivered to and received by an authorized representative of the other party or when deposited in the U.S. Mail, first-class postage prepaid, and addressed as set forth herein or by electronic media. All notices to Producer shall be addressed as set forth on the signature page hereto, and all notices to HCSC shall be addressed as follows:

To HCSC:	Health Care Service Corporation Producer Service Center P.O. Box 60545 Oklahoma City, Oklahoma 73146 or 3401 N.W. 63rd Street Oklahoma City, Oklahoma 73116	Producer_Service_Center@hcsc.net Facsimile: (918) 549-3039
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7.02 Independent Contractor Status.

Producer is an independent contractor and nothing in this Agreement will be construed to create any partnership, agency, or employment relationship of any kind between Producer and HCSC.

7.03 Assignment.

Neither this Agreement, nor any of Producer's rights or obligations hereunder (including, without limitation, the right to receive commissions) may be assigned by Producer without the prior written consent of HCSC, which consent shall not be unreasonably withheld or delayed. Producer's consent is not required for any transfer or assignment of this Agreement by HCSC, and without limiting the generality of the foregoing, HCSC may transfer, assign, delegate, or extend, all or part of its rights or obligations under this Agreement to any of its affiliates.

PRODUCER AGREEMENT

7.04 Amendment.

This Agreement may be amended at any time in a written instrument signed by both parties. In addition, HCSC may at any time modify or amend one or more provisions of this Agreement by providing at least 30 days prior written notice. Such amendments will become effective on the date stated by HCSC in the notice unless Producer, prior to the effective date of the amendments, has given notice to HCSC of Producer's intent to terminate this Agreement. In such case, the proposed modification or amendment shall not be applicable to Producer during the period prior to the termination date. Further, HCSC may amend this Agreement without prior notice as is necessary for HCSC to comply with the requirements of the Privacy and Security Rules and the Health Insurance Portability and Accountability Act of 1996, Pub.L.No. 104-191.

7.05 Dispute Resolution Process.

- (a) Dispute Resolution. Any dispute arising out of or relating to this Agreement shall be resolved in accordance with the procedures specified in this Section 7.05, which shall be the sole and exclusive procedures for the resolution of any such disputes, except as set forth in Section 7.06 below. All proposals and information exchanged as well as discussions and negotiations pursuant to this Section 7.05 are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence. The processes required under this Section shall not delay or otherwise effect the termination dates or termination conditions applicable under Section VI of this Agreement.
- (b) Mediation. The parties shall attempt to first resolve their dispute informally by submitting the dispute to a mediator mutually agreed upon by the parties. These parties agree to work together in good faith to provide information relevant to resolving the dispute and shall negotiate in good faith.
- (c) Arbitration. In the event the parties fail to resolve their dispute under the Mediation provision herein, the parties agree that the dispute shall be submitted for arbitration in the state of the governing law as determined pursuant to Section 7.08. If the parties fail to mutually agree to an arbitrator within 30 days after a deadlock is declared, the American Arbitration Association ("AAA") shall recommend an arbitrator. The arbitrator's decision shall be binding on the parties. Arbitration expenses will be shared by the parties. All other expenses (legal, incidental, etc.) shall be borne by the losing party or, if both parties prevail, be apportioned by the arbitrator to each party. Arbitration proceedings will be governed by the Rules of the AAA then in effect.

7.06 Remedies.

Producer acknowledges that any breach of its obligations under Article III, Article IV, Article V, Article VI, Section 7.10 or Section 7.11 will subject HCSC to immediate and irreparable harm for which money damages alone cannot adequately compensate it. Therefore, Producer consents to allow HCSC to seek injunctive relief in a court of competent jurisdiction without proof of actual damages, or the posting of bond or other security, in the event of breach of any such provision.

7.07 Survival.

The respective rights and obligations of Producer and HCSC under Section 1.09, Article III, Article IV, Article V and Article VI of this Agreement shall survive termination of this Agreement.

7.08 Choice of Law.

This Agreement shall be controlled and governed by the laws of the applicable state in which Producer is authorized hereunder. If Producer is authorized in multiple states, the Applicable Laws of the state in which the matter prompting a dispute hereunder will control. For example, if Producer is authorized in Texas and Illinois, but a dispute arises under this Agreement with respect to Producer's activities in Texas, Texas law shall govern. Notwithstanding the foregoing, if a dispute hereunder relates to Producer's activities in more than one state, the laws of the state in which the Producer has generated the most commissions under this Agreement in the prior twelve (12) month period shall control.

7.09 No Waiver.

Failure or delay on the part of either party to exercise any right, power, privilege or remedy under the Agreement shall not constitute a waiver. No provision of this Agreement may be waived by either party except by a writing signed by an authorized representative of the party making the waiver.

PRODUCER AGREEMENT

7.10 Publicity.

Producer shall not issue, release, or cause to be released for publication to the general public any article, advertising, or publicity relating to this Agreement or HCSC without the prior written consent of HCSC. Producer shall not commit any act or omission that causes, or would be reasonably likely to cause, reputational harm to HCSC or that would otherwise diminish or tarnish the goodwill of HCSC.

7.11 Brand Use Rules/Guidelines.

HCSC will make available Brand Use Rules/Guidelines regarding the appropriate use of the Blue Cross Blue Shield logos, service marks and brands as set forth in Section 4.03 when used in advertising and other marketing materials for Producer's guidance. These Brand Use/Guidelines are subject to revisions and changes at any time without notice to Producer. Notwithstanding the above, Producer must comply with the requirements of Section 1.11(a)(iv). In the event of a conflict between the Brand Use Rules/Guidelines and this Agreement, this Agreement shall control.

7.12 Operational Policies and Procedures/ Business Rules.

HCSC utilizes its divisions' public websites and the secure Producer Portal, Blue Access for ProducersSM, as well as business partners' websites and portals for communicating additional information to Producer, which may include, but is not limited to, business rules, production requirements, and general operational policies, information and forms. HCSC reserves the right to make updates to its websites without notice to Producer. HCSC shall use best efforts to provide advance notice to Producer of substantive changes to information in the Producer section of its websites and to the secure Producer Portal. Producer agrees to refer to the Producer section of HCSC's websites and the secure Producer Portal for additional information regarding its relationship with HCSC. Producer further agrees to abide by HCSC's policies and procedures as set forth in this Agreement and as described in the Producer section of HCSC's websites and the secure Producer Portal. In the event of a conflict between the information described above and this Agreement, this Agreement shall control.

7.13 Headings.

Headings or titles to Sections in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement or any part of it.

7.14 Rules of Construction.

In this Agreement, unless the context otherwise requires, words in the singular include the plural and in the plural include the singular, and words of the masculine gender include the feminine and the neuter, and when the sense so indicates words of the neuter gender may refer to any gender. In the event of any inconsistency between a provision in this Agreement and any Addendum, the provision in this Agreement shall control, unless the parties in an Addendum expressly state their intent that a different provision shall apply to that Addendum; provided, however, that in the event of a conflict between the body of this Agreement and a State Addendum, the State Addendum will prevail solely as relates to matters applicable to such state. Any ambiguity in Article III of this Agreement or between such Article III and the remainder of the Agreement shall be resolved to permit HCSC to comply with the Privacy Rule and HITECH, and any such conflict between terms of Article III and the remainder of the Agreement shall be resolved so that the terms of Article III supersede the relevant terms of the remainder of the Agreement.

7.15 Severability.

The provisions of this Agreement shall be severable, and if any provision of this Agreement shall be held or declared to be illegal, invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect as though such illegal, invalid or unenforceable provision had not been contained in the Agreement.

7.16 Third Party Beneficiaries.

This Agreement is entered into solely by and between, and may be enforced only by, Producer and HCSC, and shall not be deemed to create any rights in or obligations to any third parties.

7.17 Signature and e-Communications.

Delivery of an executed counterpart of this Agreement by facsimile, PDF copy or any other reliable means shall be deemed to be as effective for all purposes as delivery of a manually executed counterpart. The parties may maintain a copy of this Agreement in electronic form and agree that a copy produced from the electronic form or by any other reliable means (for example, photocopy or facsimile) shall in all aspects be considered equivalent to an original. Both parties agree that each may communicate with each other by electronic means through authorized representatives. In addition, both parties agree that for all electronic communications, a reliable identification code (for example, a "user ID") contained in an electronic document is sufficient to verify the sender's identity and the document's authenticity.

PRODUCER AGREEMENT

7.18 Entire Agreement.

This Agreement, together with the Exhibits, Schedules and Addendums hereto, comprises the entire Agreement between the parties with respect to Producer's appointment as an agent for HCSC and cancels and supersedes all previous written or oral understandings, agreements, negotiations, commitments, and any other writing or communications.

[Signature page follows.]

PRODUCER AGREEMENT

IN WITNESS WHEREOF, HCSC and Producer each execute and deliver this Agreement by an authorized representative as of the date set forth above.

PRODUCER

Contracting as (check one):
 Individual Partnership
 Corporation Other

Print Name on Producer License

Entity Name

Street Address for notice

City, State, ZIP for notice

Phone Number

Email Address

BY:

Authorized Producer Signature

Title

Date

RECOMMENDED BY

General Agent

**HEALTH CARE SERVICE CORPORATION,
A MUTUAL LEGAL RESERVE COMPANY,**

Jeffrey R. Tikkanen, President, Retail Markets
HCSC Authorized Signature

Type or Print Name

Date

TO BE COMPLETED BY HCSC:

Illinois Producer Number: _____

New Mexico Producer Number: _____

Oklahoma Producer Number: _____

Texas Producer Number: _____

**Texas Compensation Schedule
Consumer Markets Product Lines
Effective October 1, 2011**

CONSUMER MARKETS UNDER 65 PRODUCT LINES		
PRODUCT TYPE	COMPENSATION RATE 1st Year OF CONTRACT*	COMPENSATION RATE 2nd Year through Life OF CONTRACT
New Permanent Individual Health Contract	8%	5%
New Temporary Individual Health Contract	15%	Not Applicable
Dental	10%	10%

*Commission for policies effective 1/1/2011 or after is based on initial preferred premium, i.e., month one premium allocated to the policy minus additional premium for members that have been rated as standard versus preferred. Initial preferred premium used to calculate commission will not change, with the exception of premium for dependents added after 1/1/2011. If a policy change results in a coverage premium that is lesser than the initial premium, then the compensation is paid on the lesser value.

MEDICARE SUPPLEMENT PRODUCT LINES**			
AGE	COMPENSATION RATE 1st through 7th Year OF CONTRACT	COMPENSATION RATE 8th through 10th Year OF CONTRACT	COMPENSATION RATE 11th Year through Life OF CONTRACT
Persons Aged 65-69	16%	5%	0%
Persons Aged 70-79	10%	5%	0%
Persons Aged 80 and older	5%	2.5%	0%

**Rates are based on member's age at the time of enrollment.

All compensation and service fees are based on the initial premium on the policy. If a policy change results in a coverage premium that is lesser than the initial premium, then compensation is paid on the lesser value.

Renewal compensation will be paid on all other carrier Medicare Supplement replacement policies.

Medicare Supplement and Medicare Select (PPO) Plans are not connected with or endorsed by the U.S. Government or the Federal Medicare program.

Note:

It is the Producer's responsibility to ensure the accuracy of each monthly commission statement. Health Care Service Corporation, a Mutual Legal Reserve Company, limits commission adjustments for all Individual business to twelve (12) months for non-payment or under-payment of commissions.

News Alert: September 25, 2013

BCBSTX Announces 2014 Compensation Schedule and Bonus Program for Individual Business

Thank you for being a Blue Cross and Blue Shield of Texas (BCBSTX) producer. You are vital to our success in 2014, and we are here to support your success in managing this changing sales environment.

The new 2014 individual health commissions for BCBSTX major medical products continue to be competitive within our industry. Now, the top level commission will be paid for three years instead of the previous first year only!

PRODUCER COMPENSATION FOR UNDER 65 MAJOR MEDICAL AND DENTAL PRODUCTS

Contracts for new business with effective dates of **Jan. 1, 2014, and later** will benefit from the following commission schedule:

Consumer Markets Under 65 Product Lines	<u>Compensation Rate</u> Years 1-3	<u>Compensation Rate</u> Years 4+
Permanent Health and Dental Products	6%	4%
SelecTEMP® PPO Product	15%	N/A

Major medical commissions are based on full, original preferred premium for both Health Insurance Marketplace and non-Marketplace (off exchange) products.

TEMPORARY POLICY REMINDER

We encourage you to promote SelecTEMP PPO policies as a good option for clients needing to close the gap between now and the time their new policy starts in 2014. This is a win-win for your client, and for you, with a generous compensation of 15 percent.

WAIT – THERE'S MORE!

BCBSTX is paying a **\$25 Bonus** per policy for all **NEW** Jan. 1, 2014, major medical business that is issued and paid. This includes all new business as well as any of our current plan policyholders who re-enroll in a new plan compliant with Affordable Care Act's (ACA) 2014 benefit changes. This bonus applies to major medical policies with 1/1/2014 effective dates. It excludes SelecTEMP PPO and dental products.

REMEMBER TO GET CERTIFIED WITH CMS TO SELL MARKETPLACE POLICIES

For more details, see the Centers for Medicare & Medicaid Services (CMS) presentation on the [Agent/Broker Registration Process](#). **Page/slide 35** of the presentation provides instructions for obtaining a user ID.

Please note: CMS stated that producers choose and input their own Federally Facilitated Marketplace user IDs during Step 4 of the identity verification process.

Expect more details shortly on the BCBSTX producer product training that will be published on Blue Access for ProducersSM. During the BCBSTX training process, we will request Marketplace user IDs for our producer database, but we ask that you wait until that time to forward user IDs or training certificates.

PRODUCER COMPENSATION FOR OVER 65 SALES

As we recently announced, we've enhanced our compensation for Medicare Advantage Prescription Drug Plan/Prescription Drug Plan (MAPD/PDP) beginning Jan. 1, 2014, and have expanded our product portfolio offering. We are also very pleased to announce that **LIFETIME renewals** will be paid on all renewal business beginning Jan. 1, 2014.

Remember, producers must meet CMS certification requirements each year in order to sell and receive renewal compensation for these products. If you aren't already registered, don't miss this opportunity to earn more money!

The certification is open to all producers. [Get started](#).

For producers who have met the CMS certification requirements, we are increasing the **Initial Year Compensation** for MAPD to **\$425**, and **renewals/replacement** to **\$213** per year.

We've also enhanced our PDP product portfolio compensation. **Initial Year Compensation** will be **\$56** and **Lifetime Renewal or Replacement** will be **\$28** per year for the life of the policy.

THINGS TO KNOW

- BCBSTX will be distributing an addendum to the Standard Producer Compensation Agreement in the coming weeks. An updated version of the agreement will be distributed via email and posted on Blue Access for Producers at bcbstx.com/producer.
- Under 65 individual health and dental product training is required and applies to all producers and sub-producers.
- Replacement policies with 2014 effective dates will be paid based on the new compensation schedule. This includes SelecTEMP PPO policies converting to a new major medical policy.
- Compensation for Medicare Supplement plans remain the same in 2014.

We are well-positioned for a successful 2014. Our goal is to ensure that you have all the tools you need to blanket the state in Blue. If we can answer any question or provide assistance in any way, please don't hesitate to call on us, Monday through Thursday, 8 a.m. to 5 p.m., Central Time or on Friday from 9 a.m. to 4:30 p.m., Central Time.



[Like us on Facebook](#)



[Follow us on Twitter](#)



[Watch us on YouTube](#)

News from the Blues for Producers is an e-newsletter containing updates on product and Web site enhancements, as well as sales information, legislative updates and BCBSTX/HCSC corporate news.

**Texas Compensation Schedule
Group Markets Product Lines
Effective October 1, 2011**

GROUP HEALTH PRODUCT LINES		
GROUP SIZE	HEALTH COMPENSATION RATE	DENTAL COMPENSATION RATE
2-50 (regulated)	4.5%*	10%
51-150 (non-regulated)	5%**	7%
150+	Negotiated	Negotiated

* Renewal commissions for business written prior to January 1, 2011 will remain at their current percentage rate. Any plan changes that occur on or after January 1, 2011 will result in commissions being paid at the 4.5% rate.

** 5% is the standard rate for non-regulated small groups; however, a lower or higher rate may be negotiated with the Company.

Any request to negotiate a commission rate change to an existing group should be made no later than 90 days prior to the group's renewal.

Note:

It is the Producer's responsibility to ensure the accuracy of each monthly commission statement. Health Care Service Corporation, a Mutual Legal Reserve Company, limits commission adjustments to twenty four (24) months for non-payment or under-payment of commissions on non-negotiated commission amounts.



BlueCross BlueShield of Illinois
 BlueCross BlueShield of New Mexico
 BlueCross BlueShield of Oklahoma
 BlueCross BlueShield of Texas

Producer Commission Electronic Funds Transfer

Mailing Address:

BlueCross BlueShield
 1020 West 31st Street
 Downers Grove, IL 60515
 Attn: Producer Administration Department, EFT

Phone Number: (855)-782-4272
Fax Number: (918)-549-3039

Instructions: Complete all sections of this form; sign, date, and return the form along with a voided check (or a deposit ticket, if a savings account). Requests can be faxed to 918-549-3039, or mailed to the address listed above.

Check one of the following choices:

- New Electronic Funds Transfer (EFT) payment program** – Begin paying my commissions directly into the bank account shown below.
- Change my existing EFT payment program** – Change my EFT payment program as follows (Check any that apply):
 - Change bank information
 - Change account information
 - Cancel my participation in the EFT program

I hereby certify that the checking or savings account indicated below is under my direct control and access; therefore, I authorize Blue Cross and Blue Shield of Texas (BCBSTX) to initiate credit entries, and initiate adjustments for credit entries made in error, to the account number below. This authority is to remain in full force and effect until BCBSTX has received written notification from me of its termination or change in such time and manner as to afford BCBSTX a reasonable opportunity to act on it.

Account Holder's Name – Printed	Account Holder's Signature
Daytime Phone Number of Producer	Date
E-mail Address of Producer	Producer's Signature if different from Account Holder

Bank Deposit Information

Producer Name: As shown on License

Producer Number: (assigned by BCBSTX)

Name of Financial Institution:

Bank Branch location: (street address, city, state, zip code)

Bank transit routing and account number: **Checking Account** **Savings Account**

(9-digit bank transit routing number)

(Bank Account number)

Please attach an unsigned, VOIDED check (or deposit ticket if a savings acct) to this form.
 (Failure to attach a voided check may delay processing your EFT request).

Note: BCBSTX is not responsible for the result of inaccurate information provided on this form. Inaccurate/illegible entries may delay processing.

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	
	<input type="checkbox"/> Exempt payee	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number									

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a “saving clause.” Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the “Name” line. You may enter your business, trade, or “doing business as (DBA)” name on the “Business name/disregarded entity name” line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the “Name” line and any business, trade, or “doing business as (DBA) name” on the “Business name/disregarded entity name” line.

Disregarded entity. Enter the owner's name on the “Name” line. The name of the entity entered on the “Name” line should never be a disregarded entity. The name on the “Name” line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the “Name” line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the “Business name/disregarded entity name” line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the “Name” line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the “Name” line is an LLC, check the “Limited liability company” box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter “P” for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter “C” for C corporation or “S” for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the “Name” line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the “Name” line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.



INDIVIDUAL PRODUCTS
AGENT AFFILIATION AGREEMENT

This agreement is entered into by and between Elite Marketing Group (hereafter called GA) and _____ (hereafter called agent) and shall be effective as of the date of signature and shall remain in effect until terminated as provided herein.

GA hereby promises not to compete directly on accounts brought to and accepted for the purposes of obtaining Blue Cross and Blue Shield of Texas, Inc. proposals and our services.

In the event that this agreement is terminated, the GA hereby agrees not to pass on, disclose, or make use of, and will treat as confidential, proprietary, protected, and take all reasonable precautions to prevent any unauthorized passing on, disclosure, or making any use of any confidential information of agent.

This agreement may be canceled at any time by either party with 30 days written notice. The agent then may re-affiliate with another GA of the company. (Blue Cross will only allow re-affiliation once every 18 months.) Any amendment to this agreement can occur with 30 days notice.

This agreement shall in no way constitute an employee-employer relationship and agent shall hold the GA harmless for any negligent acts. Agent shall maintain their own Errors and Omissions coverage as required by Blue Cross and Blue Shield of Texas, Inc.

Agent hereby agrees not to use GA purely to block the market and will make every diligent effort to utilize proposals obtained through GA.

Compensation to agent will come directly from Blue Cross and Blue Shield of Texas, Inc.

This agreement includes individual products only provided by Blue Cross and Blue Shield of Texas, Inc.

No part of this agreement may supersede any of the laws of the State of Texas or the provisions set forth in GA's contracts with the carriers or agent's contracts with the carrier.

Signed this date _____, 20____, at _____, Texas.

GA: Elite Marketing Group

Agent: _____ (Signature) _____ (Printed Name)

Tax ID # _____

Blue Cross and Blue Shield of Texas

Affirmation of Completion

ACA Federally Facilitated Marketplace and State Partnership Training (Marketplace Matters)

This Certification of Compliance is for Agents/Producers contracted with Blue Cross and Blue Shield of Texas (“BCBSTX”), a division of Health Care Service Corporation, a Mutual Legal Reserve Company (“HCSC”), to sell individual health plans offered by HCSC and/or HCSC Insurance Services Company (“HISC”), a subsidiary of HCSC. By submitting this document, the Agent/Producer affirms and certifies that he or she has fully reviewed and completed the BCBSTX Marketplace Matters training in compliance with the requirements referenced below, and understands this training requirement is exclusive to BCBSTX and does not substitute for and is in addition to the training administered by the Centers for Medicare & Medicaid Services (CMS).

BCBSTX, requires all producers and sub-producers to complete a thorough review of the materials included in the training: **Marketplace Matters**

Section 1.

- I have completed the required training, administered by the Centers for Medicare & Medicaid Services (CMS), to sell products through the Federally Facilitated and State Partnership Marketplaces.

Yes No

- ✓ **Please enter your Marketplace ID:**

- ❖ If you checked “NO” to the question above, STOP. This form is to be completed only by those producers who have completed the required CMS training. In order to sell BCBSTX plans off the Federally Facilitated or State Partnership Marketplace, you must review the training materials and complete the Affirmation for the **Marketplace Matters Producer Prep Program**.

- I understand that I must maintain my registration with CMS in order to remain as a producer of record on any policy sold through a Federally Facilitated or State Partnership Marketplace.

Yes No

Section 2.

- Are you the Principal, Owner or Designated Official of a contracted agency?

Yes No

❖ If you have selected “No” Please continue to section three (3).

✓ **Please enter your Agency’s HCSC assigned producer number:**

✓ **Please enter your Agency’s name:**

Section 3.

➤ Are you a writing producer/sub-producer (agent/sub-agent) of a contracted agency?

Yes No

❖ If you have selected “No” Please continue to section four (4).

✓ **Please enter your Agency’s HCSC assigned producer number:**

✓ **Please enter your Agency’s name:**

Section 4.

Please check all states in which you are a producer (agent) for Blue Cross and Blue Shield:

Blue Cross and Blue Shield of Illinois (BCBSIL)

Blue Cross and Blue Shield of Montana (BCBSMT)

Blue Cross and Blue Shield of New Mexico (BCBSNM)

Blue Cross and Blue Shield of Oklahoma (BCBSOK)

Blue Cross and Blue Shield of Texas (BCBSTX)

I **AFFIRM** that I have completed the aforementioned training required by BCSTX in its entirety.

Yes No

I shall attach a copy of my CMS transcript (certificate) indicating I have successfully completed the training required to sell products via a Federally Facilitated and/or State Partnership Marketplace with my submission of this document. Please email the information to QHP_Training@hcsc.net.

I agree

First Name:

Last Name:

Email address:

HCSC Assigned Producer or Sub-Producer Number:

National Producer Number (NPN):

Producer Electronic Signature:

Date:

Date:

Please click the "Submit" button below, follow the directions to send this form to QHP_Training@hsc.net. Please also attach your CMS transcript (certificate) to the email. The forms may also be faxed to 918-549-2072