

BROKER PROGRAMS FAQ

Updated on April 7, 2014

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BROKER TRAINING

Register for and take online VHC training at:

<https://vermonthhealthconnect.globalclassroom.us/portal/>

What are the requirements for a broker to be registered on Vermont Health Connect?

- Possess a valid VT Producers License with qualifications for Accident and Health
- Complete all Vermont Health Connect training requirements
- Agree to and sign the Vermont Health Connect Broker Registration Agreement (access and upload this signed and completed document within the LMS Courses – Module 8)

What training classes do I have to take?

All licensed brokers are required to complete “Vermont Health Connect” Broker Registration training. Required training consists of nine modules which can be taken online (module 7 – Outreach & Education is only required for Navigators). Module 8 - Data Privacy & Security and Module 9 - Vermont Health Connect Systems and Web Portal are now available online. There are no exams associated with Modules 8 and 9.

Is there an exam associated with the training?

There is just one exam and it is for Modules 1 through 6. This is different from the pre- and post-module tests. If you fail, you will have one more attempt.

How do I sign the Broker REGISTRATION Agreement?

The signing of this agreement is part of the required Data Privacy & Security course, Module 8, which is currently available online. This document must be printed, signed by the broker, uploaded and stored on the learning management system Global Classroom site. After you have uploaded the Broker Registration Agreement please notify [Dain Herring](#) or [Emily Grimone](#) by email.

What is the Broker DESIGNATION Agreement?

This is an agreement between the client and the broker. This document must be printed and then signed by both the client and the broker. The Broker Designation Agreement document is available at <http://info.healthconnect.vermont.gov/sites/hcexchange/files/Broker%20Designation%20Agreement%20FINAL%2008%2013.pdf>. Both parties should retain copies of the Broker Designation Agreement. You will be asked to submit an electronic copy of this agreement to Vermont Health Connect by email to ahs.vthealthconnect@state.vt.us. Brokers cannot be paid without submission of BDAs prior to the data processing cycle on the 22nd of each month (or, if holiday or weekend, next business day).

You must add the following information to your agreements:

- Effective date of coverage
- For group enrollments, specify which carrier they are enrolling direct with
- Employer's EIN number
- List the employer's name exactly as it is listed on the paperwork to the carrier
- Individuals: Mark Individual at the top of the form and list the primary account holder's name

Can I create my own Broker DESIGNATION Agreement?

No, by signing the Broker Registration Agreement the broker agrees to follow the template provided by VHC. Brokers and their clients are free to add on other services if they so choose.

Will I earn continuing education credits towards my producer licensing requirements?

Once all course training is successfully completed, 21 continuing education credits will be awarded by Prometric. The cost for these credits will be paid by the Vermont Health Connect. Please note that course credits have only been approved for Vermont licensing requirements.

How long is the training good for? When do we have to get re-trained?

Training is good for two years. Any new training will be through the Vermont Health Connect.

What training will be required for non-resident brokers and web-brokers/entities (if applicable) wishing to place business through Vermont Health Connect beginning in 2014?

Completion of all training requirements is the same for all resident and non-resident licensed brokers. Web-brokers are not permitted on Vermont's health insurance marketplace.

BROKER FEES & COMPENSATION

How will brokers get paid in the new healthcare Marketplace?

Under Vermont legislative Act 171, premiums for Qualified Health Plans offered on Vermont Health Connect (VHC) in 2014 cannot have broker commissions built into the premium. The Department of Vermont Health Access (DVHA) has been tasked by the Legislature to create a new broker compensation/fee schedule and develop a payment mechanism. Input has been gathered from brokers, employers, the Broker Advisory Group, Small Business Advisory Group, the Medicaid & Exchange Advisory Board, and from numerous public comments.

How much will brokers get paid?

It was determined that brokers will receive \$20 per month for each employee or individual designating a registered broker and receiving assistance to enroll into a qualified health plan offered on Vermont Health Connect. The same fee applies to single, two-person or family coverage. This fee level was approved by the Commissioner of the Department of Vermont Health Access and will apply to calendar year 2014 only. A broker fee schedule applying to 2015 or beyond will be considered during the first half of 2014 and announced no later than July 1, 2014. This \$20 fee is a total fee and inclusive of any ongoing costs related to invoicing and collection.

The broker fee is \$20 PEPM or per individual per month for all 2014 VHC plan enrollees designating a VHC broker. For employers only, there is a special broker fee reimbursement fund of \$2 million for 2014 only. For every \$20 fee paid by an employer, \$7 will be reimbursed directly to the employer by the State. This reimbursement fund is projected to last through all or most of 2014 thus making the net broker fee

paid by employers to be \$13. This reimbursement will come as a quarterly payment issued by the State. Paylogix, the Third Party Administrator, will provide the data on employer payments. Reimbursements will occur on a calendar quarterly basis roughly six weeks after the close of the quarter. Any final payment will not exceed actual employer cost. It is estimated that the reimbursement fund will be available for all four quarters of 2014. If funds remaining for the third quarter reimbursement will not accommodate a \$7 PEPM, then the final quarter disbursement method described above will be followed.

The Paylogix TPA fee will be subtracted from the broker fees collected before you receive your commission. The Department of Vermont Health Access will subsidize \$1.00 of the \$1.50 TPA administrative fee making the cost \$0.50 for the monthly \$20 fee for employees and individuals.

The employers who chose not to offer 2014 employer coverage, yet still want to pay broker fees for their employees who enrolled as Individuals can be accommodated. The first monthly invoice will be sent to the Individual and should be collected by the employer to be paid by the employer. The employer should notify Paylogix to group these employee invoices into one employer invoice. Contact [Jonathan Pfadenhauer](#) at Paylogix for more information on this process.

Broker fees are based on signed, completed and current Broker Designation Agreements submitted to Vermont Health Connect. If the BDA is not submitted in time for fee processing, there is no evidence for Paylogix to send invoices or collect payments. Brokers cannot be paid without submission of BDAs prior to the data processing cycle on the 22nd for that month's enrollment (or, if holiday or weekend, next business day).

The carriers will provide a snapshot-in-time of enrollment on the 27th of each month. This may or may not line up directly with the timing of enrollment coverage changes. The 27th of the month is expected to reflect most if not all enrollment updates for that month.

Who will be responsible for collecting the fee from the employer if they choose not to pay the bill?

The TPA will handle the invoicing, collection and payment processes related to broker fees. If a client fails to pay, the balance will be carried forward to the next month's bill. If the broker notices that several bills have gone unpaid, they should reach out to the client.

Will I get paid for helping Vermonters enroll in Vermont Health Connect as individuals (not through an employer)?

Yes, brokers will be trained and authorized to enroll individuals into qualified health plans offered on Vermont Health Connect. Brokers will be paid the same amount whether providing enrolling an individual or an employee on Vermont Health Connect.

Will brokers be compensated for dental enrollments?

Under Act 171 which defines the state-based program there is no broker compensation for dental enrollment. The Act speaks to QHPs (medical only) therefore dental was determined to be outside the scope.

Are brokers allowed to facilitate enrollment in Medicaid, Dr. Dynasaur, Vpharm, VermontRx and other public programs?

Yes, but they will not receive broker fees for enrollments that are not in Qualified Health Plans.

When a client selects me to help them with enrollment, how long are they committing to work with and pay me?

Clients will sign a Vermont Health Connect Broker Designation Agreement which is an agreement between the broker and the client. As part of the agreement, the client will agree to pay broker fees for the length of the policy term (until December 31, 2014), or while they remain in coverage for the plan the broker assisted with enrollment.

Can I charge consulting fees for my services in addition to the Vermont Health Connect broker fee?

Yes, brokers are permitted to charge additional fees for other services beyond the required scope of duties outlined in the VHC broker agreement. These will not be part of the TPA process but must be billed separately and agreed to by client in a separate fee for service agreement.

Can a broker waive or reduce their exchange broker fees?

No, the State has determined that this is not allowable under Act 171. If a formally designated broker on the VHC system and with a signed Broker Designation Agreement, fees must be charged and reported according to the fee schedule approved by the Commissioner of the Department of Vermont Health Access. Only brokers who are formally designated by clients on the VHC system can actually perform enrollments on behalf of the client.

If a broker becomes a Navigator, can they continue to receive commissions?

If a current broker becomes a certified Navigator, the State has determined they may continue to receive trailing broker commissions through 2013 as long as, upon certification as a Navigator, they do not add any new enrollees under commission structure. Brokers must also comply with all relevant disclosure requirements as outlined in the broker registration and designation agreements.

BROKER & EMPLOYER-RELATED QUESTIONS

There may be times when another broker at the same agency may want to provide support services. Can more than one broker be designated on the VHC system and allowed to provide support services?

Initially, only one registered broker can be designated by the employer but once that occurs, other registered brokers from the same firm can be added and service the account too. These additions can only occur with a call to Dain Herring or Emily Grimone.

Will sole proprietors use Vermont Health Connect as individuals or as employers? What about their family members who may also be employees?

Sole proprietors are considered individuals and will access health coverage through Vermont Health Connect accordingly. Family members who are employees will also access coverage as individuals. If a sole proprietor has one or more employees who are not family members, he/she may sponsor employer coverage for the non-family member employees. If the sole proprietor offers coverage to all of his/her full time employees, the sole proprietor and his/her family may participate in the employer plan (assuming the employer meets all other eligibility criteria).

Must a small employer continue to offer employer-sponsored health coverage through Vermont Health Connect?

No, a small employer does not have to continue offering coverage. A small employer could choose to stop offering employer-sponsored coverage and their employees may be eligible for coverage as Individuals in Vermont Health Connect. If interested in continuing employer-sponsored coverage, small employers may only purchase coverage through Vermont Health Connect in 2014.

OTHER

I have heard there is an Exchange Broker Advisory Group. What is its purpose and who is on it?

The group’s purpose is to offer objective and representative broker views and advice on the programs of the Vermont Health Benefit Exchange that affect brokers. Members include:

<u>Person</u>	<u>Agency</u>	<u>Location</u>
Mary Eversole	Vermont Insurance Agents Assn.	Montpelier
Tom Rugg	Hickok-Boardman	Burlington
Carl Wyman	Wyman Agency, Inc.	Perkinsville
Angela Arbolino	Finn & Stone	Manchester
Tim Ford	Hackett,Valine & MacDonald	South Burlington
Mike Quinn	Independent	Ferrisburgh
Bill Gardyne	Associated Insurance	Newport
Ron Bixby	Ludlow Insurance	Ludlow
Tom Scull	The Richards Group	Brattleboro
Mitch Fleischer	Fleischer-Jacobs Group	South Burlington
Carolyn Smith	Northern Benefits	Burlington
Gene Piscopo	Poulos Insurance	Woodstock

Do I have to be appointed by an insurance carrier to enroll people in Vermont Health Connect?

No. As part of the broker registration agreement, Vermont Health Connect brokers cannot have a carrier relationship or receive compensation or incentives related to qualified health plans on Vermont Health Connect. However, brokers can continue to receive commissions from lines of business in the large group market that are not on Vermont Health Connect.

Are employees of insurance carriers allowed to enroll people directly in Vermont Health Connect?

No. Only certified navigators, Certified Application Counselors and registered brokers are allowed under the law to enroll individuals or groups on Vermont Health Connect. None of these assisters can be employees of insurance carriers.

Can brokers and Navigators work together?

Navigators shall not be engaged to assist with enrollment of customers who are covered by a Broker agreement. The Navigator Conflict of Interest Framework, which is part of each Navigator organization's grant agreement with Vermont Health Connect, Navigators, states that Navigators "shall not in any way solicit or persuade customers to engage a particular agent or broker. (2.1.8)"

- Navigators are specifically prohibited from promoting the services of a particular broker.
- Public events and presentations should not be co-hosted, co-organized or co-sponsored by Navigators and brokers.
- Brokers and Navigators may attend meetings/presentations hosted by the other, but as an audience member only. A broker/Navigator attendee may not present at an event hosted by the other and may not in any way market their services or solicit customers at the event.

Brokers can submit additional questions to [Dain Herring](#) or [Emily Grimone](#).

Brokers can also call the Assister Hotline at 1-855-554-4488.

For questions about Delta Dental products, brokers and Navigators should call 1-800-329-2011.