**Producer Compensation Disclosure & Requirements**

**When you enroll through DiVirgilio Benefit Resources, there is no cost to you.**

**DiVirgilio Benefit Resources is compensated by the carriers that it is licensed with.**

Below are producer educational and licensing requirements with links containing the amounts that companies pay independent agents/brokers to sell their Medicare drug and health plans. Companies that contract with Medicare to provide health care coverage or prescription drugs typically use agents/brokers to educate and serve consumers. Sometimes these agents/brokers are employees of the contracted company. In other situations, the companies hire independent agents/brokers who are not employees to sell, educate & service the companies' Medicare plans.

***Agent/broker requirements.*** Agents and brokers who represent [MA organizations](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=c9457eba0353d4ab6c3e03b29e852b55&term_occur=999&term_src=Title:42:Chapter:IV:Subchapter:B:Part:422:Subpart:V:422.2274) must follow the requirements below in order to be licensed and represent an insurance carrier. Representation includes selling products (including Medicare Advantage plans, Medicare Advantage-Prescription Drug plans, Medicare Prescription Drug plans, and section 1876 Cost plans) as well as outreach to existing or potential beneficiaries and answering or potentially answering questions from existing or potential beneficiaries.

**(1)** Be licensed and appointed under State law (if required under applicable State law).

**(2)** Be trained and tested annually as required under [paragraph (c)(4)](https://www.law.cornell.edu/cfr/text/42/422.2274#c_4) of this section and achieve an 85 percent or higher on all forms of testing.

**(3)** Secure and document a [Scope](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=dfdd48ddcdf30cc19e7b455064934bcb&term_occur=999&term_src=Title:42:Chapter:IV:Subchapter:B:Part:422:Subpart:V:422.2274) of Appointment prior to meeting with potential enrollees.

**DiVirgilio Benefit Resources is licensed and compensated by various carriers**. Insurance carriers compensate their producers in accordance with the products that they sell. Producer compensation may vary dependent on the carrier.

**Compensation for Medicare Products:**

The Center for Medicare Services allows carriers to compensate producers who have met the CMS requirements.

***Compensation requirements.*** [MA organizations](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=c9457eba0353d4ab6c3e03b29e852b55&term_occur=999&term_src=Title:42:Chapter:IV:Subchapter:B:Part:422:Subpart:V:422.2274) must ensure they meet the requirements in paragraphs (d)(1) through (5) of this section in order to pay compensation. These compensation requirements only apply to independent agents and brokers.

**(1)** ***General rules.***

**(i)** [MA organizations](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=c9457eba0353d4ab6c3e03b29e852b55&term_occur=999&term_src=Title:42:Chapter:IV:Subchapter:B:Part:422:Subpart:V:422.2274) may only pay agents or brokers who meet the requirements in [paragraph (b)](https://www.law.cornell.edu/cfr/text/42/422.2274#b) of this section.

**(ii)** [MA organizations](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=c9457eba0353d4ab6c3e03b29e852b55&term_occur=999&term_src=Title:42:Chapter:IV:Subchapter:B:Part:422:Subpart:V:422.2274) may determine, through their contracts, the amount of compensation to be paid, provided it does not exceed limitations outlined in this section.

**(iii)** [MA organizations](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=c9457eba0353d4ab6c3e03b29e852b55&term_occur=999&term_src=Title:42:Chapter:IV:Subchapter:B:Part:422:Subpart:V:422.2274) may determine their [payment](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=d66239b6cfc874cf42f9ff1eaaccf349&term_occur=999&term_src=Title:42:Chapter:IV:Subchapter:B:Part:422:Subpart:V:422.2274) schedule (for example, monthly or quarterly). [Payments](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=d66239b6cfc874cf42f9ff1eaaccf349&term_occur=999&term_src=Title:42:Chapter:IV:Subchapter:B:Part:422:Subpart:V:422.2274) (including [payments](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=d66239b6cfc874cf42f9ff1eaaccf349&term_occur=999&term_src=Title:42:Chapter:IV:Subchapter:B:Part:422:Subpart:V:422.2274) for AEP enrollments) must be made during the year of the [beneficiary](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=cc67cafd81a7295c7d81b714c2f651dd&term_occur=999&term_src=Title:42:Chapter:IV:Subchapter:B:Part:422:Subpart:V:422.2274)'s enrollment.

**(iv)** [MA organizations](https://www.law.cornell.edu/definitions/index.php?width=840&height=800&iframe=true&def_id=c9457eba0353d4ab6c3e03b29e852b55&term_occur=999&term_src=Title:42:Chapter:IV:Subchapter:B:Part:422:Subpart:V:422.2274) may only pay compensation for the number of months a member is enrolled.

Visit: <https://www.cms.gov/Medicare/Health-Plans/ManagedCareMarketing/AgentBroker> to access CMS Agent/Broker compensation disclosures and resources.

**Commercial and Employer Sponsored Plans:**

If your company elects to purchase group coverage from DiVirgilio Benefit Resources, the insurance carrier will compensate DiVirgilio Benefit Resources base and/or bonus compensation for your business.

Insurance carriers file their annual rates with the Department of Financial Services to include producer compensation.

Insurance producers that are compensated by the insurance carrier may not charge you a direct fee for these services.

This document with live links may be accessed via [www.dbrservice.com](http://www.dbrservice.com) under compensation disclosures. You may also request direct compensation information from DiVirgilio Benefit Resources.

**Additional Non-carrier Ancillary Products and Fees:**

If you purchase services outside of the carrier and producer scope, there may be additional administrative charges for products such as:

Zywave HR Compliance Library & Tools

Employee Handbooks

Compliance documents

For more information on these products contact DiVirgilio Benefit Resources.