

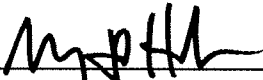
**OHIO DEPARTMENT OF INSURANCE
STATE OF OHIO**

BULLETIN 2011-03

MEDICARE SUPPLEMENT AGENT COMPENSATION

Effective January 6, 2011

Ohio Administrative Code Section 3901-8-08(R) discusses the requirements for agent compensation for those agents and carriers marketing and servicing Medicare Supplement insurance. It has come to the attention of the Department that some carriers may be misinterpreting this provision. The rule requires that renewal commissions in the second year cannot be less than half the initial year commission, renewal commissions must be provided for at least five renewal years, and that each yearly renewal commission must be equal to that paid for the second year renewal. If a carrier has schedules that do not provide for commissions or other renewal compensation that equals the second year renewal commission as stated in the rule the schedules should be changed to be in compliance with the rule.



Mary Jo Hudson
Superintendent