

## ***Broker Compensation Frequently Asked Questions***

### ***For School Health Plans Administered by Aetna Student Health:***

#### ***Why is Aetna publishing its policy regarding Broker Compensation disclosure?***

Aetna believes that publicly clarifying and strengthening our existing pro-disclosure policy is in the best interests of our brokers, clients and the market place. It is consistent with our overall commitment to transparency and our corporate positioning: "We want you to know".

#### ***How will Aetna notify customers and prospective customers of the availability of information regarding compensation available or paid to their broker?***

Aetna wants every customer to know that information about their broker's compensation is always available from the broker or directly from Aetna. A statement will be posted to this effect on its web sites.

#### ***How will Aetna disclose to customers regarding broker compensation?***

Aetna will provide broker compensation information to any customer at any time upon request. Aetna has made a [request form](#) available for customers to request compensation information about their broker on their website. Customers may initiate a request for information about broker compensation by submitting this completed form. Aetna encourages that customers put their requests in writing to ensure that Aetna is able to respond quickly, accurately and completely to the inquiry.

#### ***Does Aetna expect brokers to make the disclosure in relation to renewal business as well as new business?***

Yes. Aetna believes customers should be informed about the nature of all the compensation available to or paid to their brokers over the course of their business relationship with the broker and Aetna.

#### ***What does Aetna mean by requiring disclosure of the "nature" of the broker's compensation? What specifically should the broker disclose?***

Aetna believes customers must be given a clear understanding of the type and amount (or percentage, if applicable) of compensation available to the brokers with whom they work. We expect brokers will make a good faith and appropriate disclosure to their customers consistent with this requirement and any applicable law.

***It appears Aetna's disclosure policy is more stringent for brokers than current state laws require. Why is Aetna requiring more than is legally required (or required by competitors)?*** State law in this area is rapidly evolving. Our requirements are consistent with model legislation developed recently by the National Association of Insurance Commissioners (NAIC). It is likely that standards similar to ours will be required in many, if not all, states. More importantly, we believe that disclosure is the right thing to do, and we believe that the vast majority of brokers will agree.

***What if a broker does not agree to the disclosure requirement?*** New brokers are not eligible to receive compensation until they have signed a Broker Agreement containing the disclosure requirement. Existing Broker Agreements will be amended to add the disclosure requirement.

***How will Aetna follow up regarding broker compliance with this disclosure requirement?*** From time to time, Aetna may randomly select brokers and request confirmation of disclosure to their customers.

***Who should customers or brokers contact for more information?***

For Aetna Student Health business, customers or brokers should contact their account executive directly.