



July 5, 2006



ROCKY MOUNTAIN
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BROKER BRIEFINGS
NEWS
flash

In March, we sent you a letter about changes planned for your commission-eligible business statements and commission payments.

We are pleased that we will begin producing your next commission payment using the new payment methodology and new format, which provide:

- One commission statement and payment for Rocky Mountain HMO business and
- One commission statement and payment for Rocky Mountain HealthCare Options business (SOLO and PPO plans)

Now, you will receive your RMHP commission payments at the end of each month for that month's activity. As an example, the commission payment you receive in the next few days will represent June 2006 activity. If premium payments for July have been made in June by your clients, you will receive commission payment on those clients for July business as well.

The new commission statement will also include any bonus payments you have earned. All of the various payment lines are displayed separately, with a roll-up of total commission/bonus paid for that month.

As presented to you in March, employer group commissions will be based on the actual premium paid by the employer group. Please review the attached letter and Exhibit A--Producer Commission.

Thank you for your business. We hope you will find the Rocky Mountain Health Plans new commission statement and payment cycle better meet your needs.

Thank You!

As always, if you have any questions or comments or need assistance, please call your Rocky Mountain Health Plans Account Executive.



BROKER BRIEFINGS NEWS FLASH

Grand Junction 970-244-7760 or 800-453-2981	Denver 303-689-7367 or 800-823-8356
Durango 970-385-5131 or 888-662-6489	Pueblo 719-253-3900 or 888-332-8963
Glenwood Springs 970-928-8618 or 800-793-1339	



Dear RMHP Valued Producer Partner,

We are making some changes to the producer commission compensation program next month that we'd like to tell you about.

First, we are integrating commission payments into one monthly report and distribution. Beginning in April, 2006, you will receive commission payments for all of your commission-eligible business, rolled up under two payments: one commission statement and payment for Rocky Mountain HMO business and one commission statement and payment for Rocky Mountain HealthCare Options business.

Part of the integration includes a change in payment methodology for employer groups. Commission payments will continue to be paid according to the enclosed commission schedule (Exhibit A to your Producer Agreement). However, beginning in April, 2006, employer group commissions will be based on the actual premium paid by the employer group. Please review the enclosed Exhibit A - Producer Commission. The following footnote has been added to the Group Business section:

"Commission is based on 100 percent of billed premium received. If employer group does not pay in full the premiums billed, the commission payment will be reduced pro rata based upon the percent of premium actually paid."

This letter serves as 30 days advance notice of a change to the Producer Agreement as it relates to the commission structure for new and existing groups.

If you have any questions regarding this notice, please contact your Rocky Mountain Health Plans Account Executive.

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle Snyder". The signature is fluid and cursive, with a large initial "M" and "S".

Michelle Snyder
Director, Sales Administration

EXHIBIT A

**Rocky Mountain Health Maintenance Organization/
Rocky Mountain HealthCare Options, Inc.
Producer Commission**

Effective April 1, 2006

GROUP BUSINESS

Small Employer Group Business

Small Group (Group size 1-50 per Colorado Revised Statute 10-16-102(40))	\$23 per subscriber	Paid monthly
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Large Employer Group Business

Large Group (Group size 51+ per Colorado Revised Statute 10-16-102 (40))	\$15 per subscriber	Paid monthly
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At RME's discretion, other negotiated commission rates for large groups will be considered.

Commission is based on 100% of billed premium received. If employer group does not pay in full the premiums billed, the commission payment will be reduced pro rata based upon the percent of premium actually paid.

New Business Bonus

25 to 49 subscribers enrolled per month	\$20 per subscriber	Paid 90 days after group's effective date, if still active
50 or more subscribers enrolled per month	\$40 per subscriber	Paid 90 days after group's effective date, if still active

Note: Bonus is capped at a maximum of \$2500 per case.

**Rocky Mountain HealthCare Options, Inc.
Producer Commission**

INDIVIDUAL BUSINESS

SOLO PPO first year:	20% of monthly premium	Paid monthly
SOLO PPO renewal years:	5% of monthly premium	Paid monthly