**Section 2008.82 Permitted Compensation Arrangements**

a) An issuer or other entity may provide commission or other compensation to an insurance producer for the sale of a Medicare supplement policy or certificate only if the first year commission or other first year compensation is no more than 200% of the commission or other compensation paid for selling or servicing the policy or certificate in the second year or period.

b) The commission or other compensation provided in subsequent (renewal) years must be the same as that provided in the second year or period and must be provided for no fewer than five renewal years.

c) No issuer or other entity shall provide compensation to its insurance producers and no insurance producer shall receive compensation greater than the renewal compensation payable by the replacing issuer on renewal policies or certificates if an existing policy or certificate is replaced.

d) For purposes of this Section, "compensation" includes pecuniary or non-pecuniary remuneration of any kind relating to the sale or renewal of the policy or certificate including but not limited to bonuses, gifts, prizes, awards and finders fees.

(Source: Amended at 23 Ill. Reg. 3704, effective March 10, 1999)