



The Agency's Guide to **Commissions:** Processing, Uncovering Misses, & Analyzing Performance



In This Guide...

No matter if you're an independent retail agency, small to mid-sized agency, or larger retail and wholesale organization, **commissions processing is an integral part of your company**. However, processing and tracking those commissions has never been simple. Even in 2025, many insurance agencies still struggle with how best to manage it all.

On top of that, some agencies still can't be sure the commissions coming from their carriers or uplines are accurate. Though unintentional, carriers do make mistakes, and commissions can be missed.

Agencies today have a desire to understand their commissions data better. Without this information, they can't effectively forecast the future of their business or make smarter business decisions.

In this guide, we'll discuss how agencies are better managing their commissions, taking a look at everything from processing and tracking to monitoring performance.

Section 1: Tracking & Processing Commissions

Depending on the tools you're using, tracking and processing can be a pain. Yes, these processes are separate. Let's break them down.

Commissions Tracking

Tracking generally happens at every insurance agency, regardless of size. Tracking means that your team is merely checking off that you were paid.

Commissions Processing

On the other hand, commissions *processing* involves taking that money paid from the carrier and splitting it among the appropriate parties. Then, generating the necessary statements and reports. For agencies without an efficient system in place, this can be extremely time-consuming.

There are a variety of tools insurance agencies use to track and process commissions. The most common include:

- Spreadsheets
- Commissions-specific software
- Industry-specific agency management system (AMS) with built-in commission tools

Let's break each of these down.

SPREADSHEETS

Many agencies get started with spreadsheets. Using spreadsheets is a line-by-line method that takes time and often requires a dedicated staff member to ensure the spreadsheets stay organized and accurate, as they are susceptible to human error. Using spreadsheets to track and process commissions is extremely manual, time-consuming, and risk-prone. In general, spreadsheets aren't a beneficial long-term strategy for agencies.

COMMISSIONS-SPECIFIC SOFTWARE

If an agency is using a generic CRM to run their business without commissions processing capabilities, they'll often pair it with a third-party solution to fill the gap. However, these third-party solutions can be expensive, and they can also create data silos. Similar to spreadsheets, using a third-party tool can be time-consuming and make it difficult to manage the transfer of data back and forth.

INDUSTRY-SPECIFIC AGENCY MANAGEMENT SYSTEM (AMS)

Using an AMS with built-in commissions processing tools, your team can have all of your information (individuals, groups, agents, policies, carriers, and commissions data) in one system. An AMS is a more time- and process-efficient option because all of

your data is stored together, allowing you to work smarter, not harder.

Agencies who utilize an AMS with commissions tools can efficiently process commissions, track their payments, identify missed payments, and analyze their commission data and performance.

Processing Commissions in AgencyBloc

Much of the work required to process commissions within an industry-specific agency management system, like AgencyBloc's Commissions+ solution, is in the initial, upfront setup. After you have your data and settings in place, the AMS is able to process for you, **saving your team hours of time and resources.**

To better explain the entire process, we have six basic steps that occur in Commissions+. The first three involve setup from you.



STEP 1: SET UP POLICIES & AGENT RECORDS

The first step is to set up your clients (individuals and groups) and their

policies in AgencyBloc's AMS+ solution (*Commissions+ is built into AMS+*) through an import process or manual addition.

Then, make sure every person and organization that is receiving commissions (agent, broker, producer, agency, and any other third parties) has an agent record in AMS+. You need agent records for payout and reporting purposes.

Many agencies also create a "house account" as a way to track a net commission amount for your agency.

**Note: This is the minimum amount of information necessary to process commissions. Typically, agencies will track additional information for customer service and cross-sell opportunities.*

STEP 2: SET UP RATE TABLES

Within Commissions+, there are two key questions you need to answer:

- *Who* is getting paid for what policy (*next step*)
- *How much* are they getting paid for that policy (*this step*)

Rate tables are the answer to "how much," and are used to dictate how to calculate your agency's splits. Then, those rate tables are connected to the associated policies, which are linked to

agents. Here lies the power in having all of your data connected in a single system to reduce errors from outdated or missing information.

Rate tables can be referenced by multiple policies and can be configured with multiple rates for different coverage or carrier products over a customizable timeline. The five types of rates to pick from are:

- Percent of premium
- Percent of commission
- Per life
- Flat amount
- Percent of remainder

If you need to make compensation adjustments, rate schedules (described in the next step) offer a convenient way to adjust payouts quickly.

Rates for Humana Create New

Search:

Show 25 entries

	Carrier	Coverage Type	Carrier Product	Revenue Type	Rate Type	In Rate	Out Rate	In Amount	Out Amount	Months
Edit	Humana			Override	Flat Amount			\$100.00	\$25.00	
Edit	Humana			Override	Flat Amount			\$150.00	\$45.00	

Showing 1 to 2 of 2 entries Previous 1 Next

AgencyBloc's Commissions+ Solution: Rate Table Example

Edit Rate for Tier 1 Agent

Carrier
Aflac

Coverage Type
Vol-Cancer

Carrier Product

Revenue Type
All

Rate Type
% of Commission

Payable Rate
75.00000 %

☒ Specify a time period

Months
1 -
12

[Save](#) [Delete](#) [Cancel](#)

AgencyBloc's Commissions+ Solution: Edit Rate Table

**Note: Rate tables are customizable and can be simple or complex, depending on your needs. AgencyBloc's Client Success Team can assist you in establishing the right structure for your needs.*

STEP 3: TIE PAYEES TO POLICIES

Now, we answer *who* to pay.

Payees are the people or entities who are getting paid for the policy being sold. If you add payees to policies, Commissions+ will calculate payouts from imported carrier commissions. You can save time setting up payees by using the rate tables we discussed above and payee schedules, which we'll cover below.

Policies can have an unlimited number of agents assigned for commissions. Typical scenarios include paying a referral fee, trainer fee, manager override, and/or agency override. Each of these people can be paid differently. Typically, a rate table is used for each payee; however, if a unique payout is required, a manual amount can be specified.

You can also define payee schedules that add more than one payee to a policy. Add the payees to a hierarchy, each with their respective commissions, and save as a group. Then, add them to a policy as a whole group.

Payees for Hierarchy Create New

Search: Type to filter (Agent Name, Rate Table, etc.) Show 25 entries

Agent Name	Rate Table	Manual Rev Type	Manual Rate Type	Manual Rate	Manual Amount
Edit Avery, David	Preferred Agent				
Edit Doran, John	Manager/Director				
Edit Flannery, Julie	Referral				
Edit House, Account	House Account				

Showing 1 to 4 of 4 entries Previous 1 Next

AgencyBloc: Payee Schedule Example

Steps 4 - 6 are the magic of Commissions+. With over 7,000 different carrier maps, Commissions+ knows what the carrier pays based on the statement you download from the carrier website. All you have

to do is import the statement, and Commissions+ does the processing for you.



STEP 4: IMPORT CARRIER FILE/ STATEMENT

AgencyBloc's Commissions+ solution saves your team time and ensures accuracy. One of the most client-appreciated commission tools in Commissions+ is *Carrier Imports*. If your agency is receiving electronic commission statements, we can build import maps that automatically import that information into Commissions+.

When these files are uploaded, AgencyBloc will match the information to the policies you have set up and automatically calculate commissions. This import process significantly reduces the amount of time spent inputting data.

**Note: Once your account has been configured, the import and payment calculation will take only seconds. Our clients have carrier imports containing tens of thousands of records; it takes less than 2 minutes to process these files.*

In the event some carriers aren't providing you with electronic commission statements, AgencyBloc supports a "Standard Import" that can still assist in streamlining commissions processing.

STEP 5: CALCULATE/RECONCILE COMMISSIONS

Reconciliation is a simple process. When commissions are imported, you'll see which policies were linked to the carrier's statement, each payment that was calculated, and any policies that didn't match. Review any exceptions that require further investigation and get a quick snapshot of total premiums, total commissions payable, and net commissions.

Commission Not Received			
	Jan-20	Feb-20	Mar-20
	Not Received	1536.2	1536.2
	1032.36	1032.36	1032.36
	Not Received	N/A	Not Received
	2301.65	2301.65	Not Received
	N/A	270.36	N/A

AgencyBloc: Reconciling Commissions

STEP 6: GENERATE COMMISSION STATEMENTS

Once all of your carrier commissions are reconciled for the payment period, you're ready to lock your commissions and generate agent commission statements.

Statements can be run in spreadsheet or PDF format. You can run statements monthly, bi-weekly, or even daily, if you choose. Statements can be organized by sub-agency to facilitate paying multiple companies under your agency.

Run Agent Statements

Agent Statement Date <input type="text" value="range"/>	Carrier(s) <input type="checkbox"/> Aetna <input type="checkbox"/> Allac <input type="checkbox"/> American General <input type="checkbox"/> American Life	Agent <input type="text" value="Type to search"/>
<input type="checkbox"/> Commission On Hold	File Type PDF <small>Note: You can customize the PDF header in Agent Statement Settings. Learn more.</small> <input type="checkbox"/> Hide Page Numbers	Agency(s) <input type="text" value="type to search"/>
Grouped By Carrier	Statement Format Premium	<input type="checkbox"/> Exclude Agency, Client, and Carrier Summaries
Data focus • Premium • Month		

AgencyBloc's Commissions+ Solution:
Run Commission Statements

Section 2: Finding Missed Commissions

Insurance agencies are often aware they are likely missing payments from carriers, but they let it slide because they don't have an easy or efficient way to identify these misses.

Missed commissions happen for several reasons. A few examples are:

- Carriers are 2-3 months behind on their payments, so it'll appear in your books that you haven't gotten paid yet. Most agencies don't worry for the first few months, but if you're tracking it carefully, you'll know when you might have a deeper problem.
- One of your clients canceled their policy and didn't notify your agency. That will appear to you as a "missed" payment from the carrier and cause you to investigate the situation.
- Sometimes errors happen, and a payment is simply missed.

When you have a system in place, like AgencyBloc's Commissions+ solution, identifying missed commissions happens almost automatically. As long as you have all of your commission

data correctly entered, the misses will become apparent in a couple of ways:

- On a policy level: commission payments not received by statement date or by bill from date
- Within reports, like the Commissions Not Received report

For example, when you dig into a policy in AMS+, the Commissions tab will show you potential missed payments on that same screen.

The screenshot shows the 'Commissions' tab for policy 121212 Med Supp. It includes three summary cards: 'Commissions Received From Carrier' (0 of \$8), 'Actual vs. Expected Commissions' (Last 12 Months Difference: -\$168.00), and 'Projected Commissions' (2025 Projection \$168.00, 2026 Projection \$168.00). Below these is a 'Payment History' section with a search bar and a table with columns: Agent Statement Date, Transaction, Carrier Statement Date, Bill From Date, Payee, Agent #, Agency, Rate Table, and Revenue Type. The table currently shows 'No data available in table'.

AgencyBloc: Payment History / Commissions

The Commissions Not Received report shows you the total missed commissions for a period, depending on the criteria you choose.

STANDARD REPORTS / COMMISSION
Commission Not Received

Report Criteria

Report timeframe: ☒ Bill From Date **RECOMMENDED** ☐ Agent Statement Date

Using the Bill From Date

The Bill From Date represents premium period(s) you are getting paid for on each statement. Depending on how often the carrier sends statements there could be more than one bill from date in the file. [Learn more](#) about missing commissions reports.

Bill From Dates (up to 12 months)

Start Month*

Start Year*

End Month/Year*

Filters

Effective Date (range)

Start End

Carrier

- ☐ Aetna
- ☐ Aflac
- ☐ American General
- ☐ American Life

Policy Status

- ☐ Active
- ☐ Renewed
- ☐ Quoting
- ☐ Not Approved

AgencyBloc: Commissions Not Received Report

or in a system that isn't built for your industry, accuracy can be lost.

Spreadsheets contain errors, which is a major concern for insurance agencies. Not to mention, these errors can be challenging to find and can affect calculations for a long time. This can be troubling when you're hiring new agents or when the rates that you pay out change. Any time you're changing or adding new data into a large spreadsheet, mistakes can happen.

When you're processing commissions in an AMS with rates tied to policies and splits set up with your agents, the chances of manual entry error decreases drastically. An AMS also clearly shows you how much you should be receiving from the carrier and paying out to agents, allowing you to catch any mistakes made and address them quickly.

Ensuring Accuracy

No matter if you're splitting out payments or looking for missed commissions, accuracy is critical. If you're manually processing commissions, like in a spreadsheet

Section 3: Analyzing Your Commission Data

Agencies without the right system in place lose out on important insights from their commission data.

Unless you're tracking your current business in an AMS, you'll likely never identify areas of potential improvement. The sooner you begin tracking, the sooner you can start analyzing, identifying patterns, and understanding your commission data.

From this, you can find answers to questions like:

- Did I receive the amount I was expecting?
- How accurate are the commissions I'm receiving from carriers?
- How will expected commissions affect the performance of our agency this year and in the years to come?
- How do my projected commissions affect future growth plans?
- Who are my top-performing agents?
- From which carriers do I receive the most commissions?
- Which coverage types bring in the most commissions?

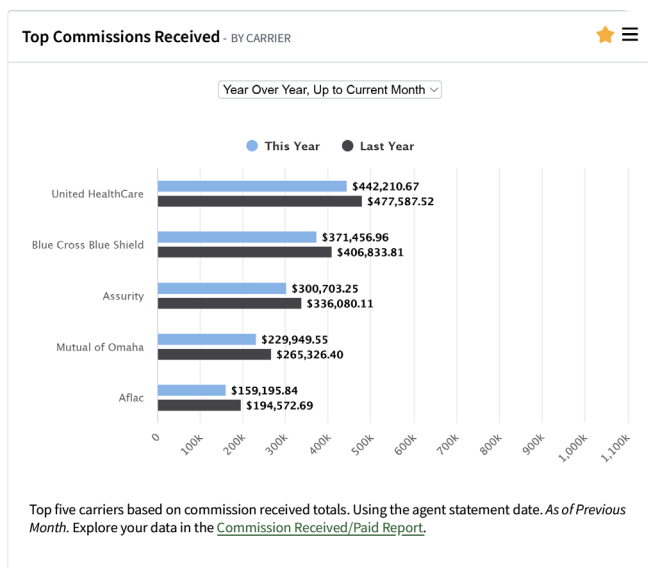
You can also use this information to better plan for changes with carrier commission payments and understand the impact of those changes for your team.

When agencies have a commissions management system in place, they can do many things that benefit their business. Beyond splitting out commissions and identifying missed commission payments, they can see potential future commissions, compare actual vs. expected commissions, analyze agency performance, and better understand their revenue.

Commissions Graphs & Charts

AgencyBloc helps you use your commission data to make smarter business decisions. Most people are visual, so graphs and charts are a welcome way to view insights about your commissions. View your commission data by carriers and top agents, and gain insight into your financials with the real-time graphs and charts in Commissions+:

- **Top Commissions Received** - by Carrier
- **Top Commissions Received** - by Agent
- **Net Commissions** - by Carrier
- **Net vs. Received Commissions** - by Coverage Type
- **Actual vs. Projected** - by Month
- **Actual vs. Projected** - by Coverage Type



Quick, high-level insights like this help you better understand which carriers you receive the most commissions from, which agents bring in the most business, which coverage types you're selling the most, and whether you're receiving the commissions you expected to.

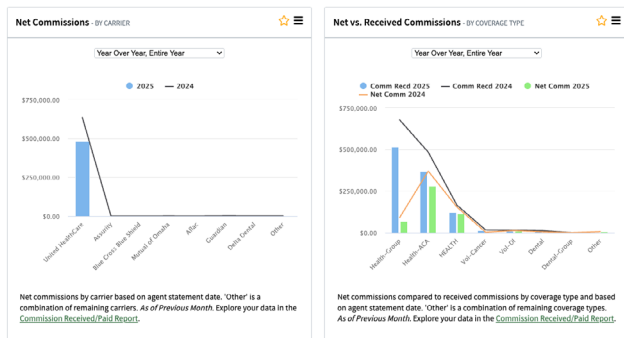
With data visualization, decision-makers can make quicker, more informed decisions. Staff across multiple teams in your agency can look at these graphs and charts and get a glimpse at performance.

To make informed decisions, you need a specific toolset at your fingertips. Real-time analytics visualized in graphs and charts is a big part of that. The other part is the ability to run custom reports.

Commissions Reporting

Performance improvement hinges on knowing where to alter your behavior by looking at past trends, which can be accomplished through reporting.

What's also important is being able to share these reports with other team members easily. AgencyBloc includes industry-specific, pre-built reports as well as a Custom Report builder. That way, you can always get exactly what you need.



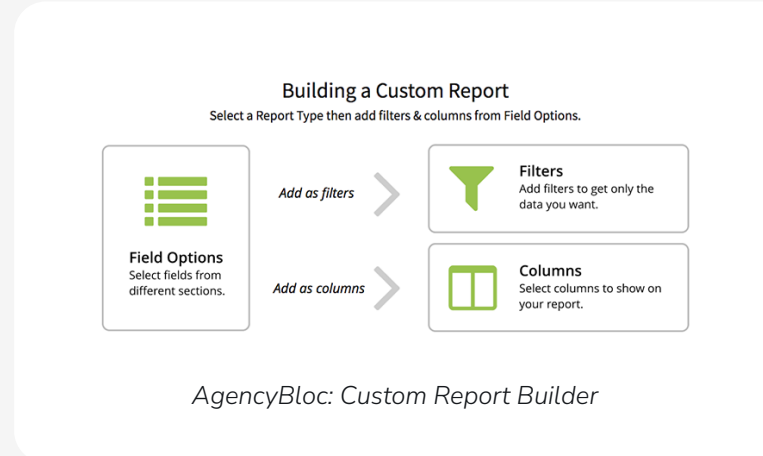
What are “real-time” analytics? They are charts and graphs that show the most up-to-date information, meaning whenever data changes in your book of business, these graphs and charts will reflect that immediately.

Examples of commission reports are:

- **Commission Totals:** This report shows you a summary of commissions coming into your agency. Customize the report by selecting filters and columns.
- **Commission Received:** This report allows you to monitor commissions received by policy, group, individual, or carrier.
- **Policy Commission Payees:** Use this report to examine how you currently have your commission payees set up on your policies.
- **Commission Payments:** This report summarizes details related to commission payments you've received.
- **Commission Projections:** This report shows you a summary of projections for policies you've set up. Information like this allows leadership to compare where they are currently and where they could potentially be with regard to commissions.

With these reports, you can add as many or as few columns (details) as you want, so only the most relevant data will show.

Your commissions data is critical, and that's why agencies use an industry-specific AMS to track and analyze the data effectively.



AgencyBloc's **Commissions+** Solution

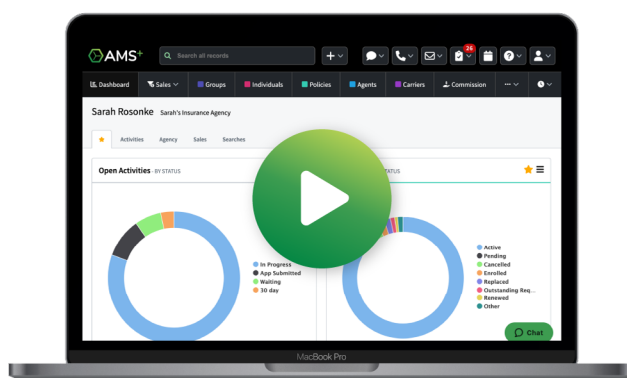
Commissions processing is no small feat, but it's a huge part of your agency's everyday business. And if you're still using spreadsheets to track, process, and analyze commissions, you're likely experiencing some frustration.

To feel in control of their commissions and benefit from their data, health agencies turn to an AMS with commissions capabilities to manage their book of business and commissions data in the same system.

Learn More About AgencyBloc's Plus Suite of Industry Solutions

AgencyBloc is the **#1 Recommended** Insurance Industry Growth Platform serving the health, benefits, and senior insurance space. Our suite of insurance-specific solutions can help your independent insurance agency, GA, IMO/FMO, or call center remain compliant and accelerate growth.

Learn more in this 5-minute overview video:



“We’ve been able to cut our time processing commissions by 75%, saved nearly \$33,000 every year in employee time, and have gained 90 hours back every month. Switching to AgencyBloc was the best decision I made as a commissions manager.”



Leslye G.
JTS Financial

Ready to learn more about AgencyBloc?

[Schedule a live, one-on-one demo](#) of AgencyBloc's industry-specific platform. You can discuss your team's specific needs and see AgencyBloc in action.