Field Underwriting Made Easy

Panelists

- Matt Anderson – Broadtower Insurance
- Demerri Bond – Mutual of Omaha
- Glenda Gowen-Nixon – Genworth
- Moderator
  - Denise Liston – LifePlans/LTCG

Introduction

- How did we get here?
- Where did we come from?
- What changed?
  - Product and underwriting
  - Sales force
  - Sales process
  - Demographics

Underwriting Challenges Facing Carriers

- Face to face sales are decreasing as a proportion of overall sales
- Special authorizations
- Tapping into 3rd party data
- Applicants not prepared for interview
- Adoption of field tools
- Undisclosed health information

A Deeper Dive on Declines

Top Declines

How Can the Field Help?

- Diabetes
- Depression
- Overweight
- Arthritis, Osteoarthritis, Degenerative Disc Disease
- Cognitive Impairment

Medications are key concern indicators

- Arthritis:
  - Demerol, Morphine, Oxycontin, Percocet, Tramadol, Ultram
- Cognitive Impairment:
  - Cholinesterase Inhibitors, Aricept, Exelon, Razadyne, Namenda, Namzaric, Cognex

Medications are key concern indicators

- Depression:
  - Abilify, Depakote, Tegretol, Valproic Acid, Topomax, Serentil, Seroquel, Thioridazine, Thiothixene, Thorazine, Trifluoperazine, Zipradidone, Zyprexa
- Diabetes:
  - Neurontin, Lyrica, Cymbalta, Humulin, Novolin, Lantus, Levemir, Toujeo
- Obesity
  - Phentermine, Contrave, Saxenda

What to do about Meds

- Check you field agent guide!!!!!
- Pre-screening
  - Email
- The APP store
  - Drugs.com
  - Mosby's Drug Reference
  - Epocrates

Websites:

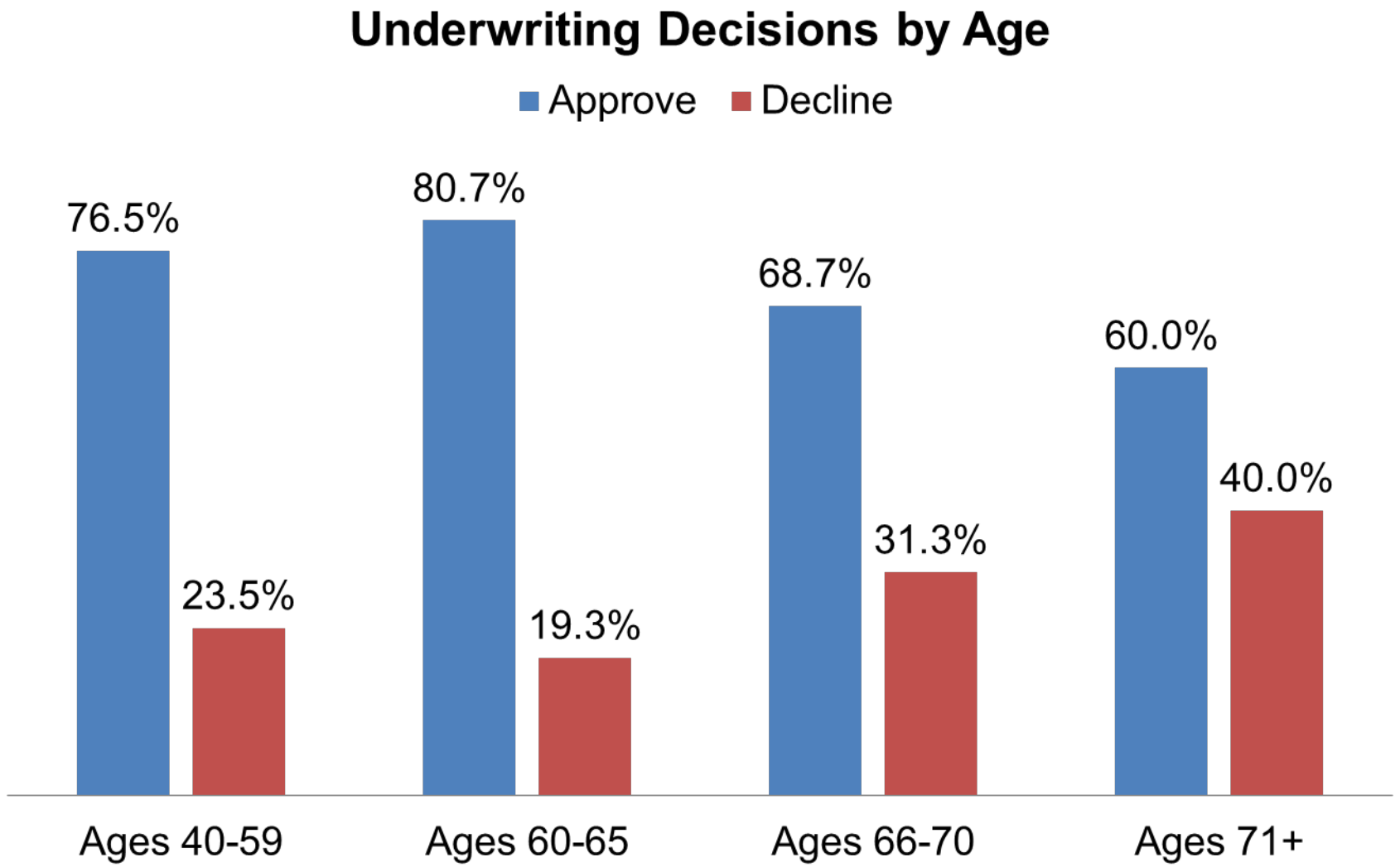
https://druginfo.nlm.nih.gov/drugportal/

Things to Keep in Mind

How to anticipate home office underwriting challenges in the context of field underwriting:

- Doctors may not be sharing all details to their patients
- Applicants may not fully understand their medical histories/diagnoses
- Applicants may underestimate or may not fully divulge their complete medical histories
- Applicants may not want to share sensitive details
  - Agents need to understand how to broach subject
- Pending labs, x-ray or new prescriptions

What can we Learn from the Data?



Case Study #1

- Male age 63, non-smoker, 6’0” 220lbs
- Application
  - Diagnosed with hypertension and high cholesterol 2010 treated with Lisinopril and Simvastatin and self-reports both as controlled.
  - Depression diagnosed about 8 years ago; tried a few different medications initially but either didn’t help or had side effects; has been taking Cymbalta for about 5 years.
  - Low back pain but doesn’t limit him at all. Has had a few injections for it and has done some physical therapy. Denies any current medication.
  - Drinks 1-2 beers, 3-4 times per week. Retired. Enjoys wood working and watching grandkids.

Case Study #1

- Pharma Data
  - Cymbalta filled monthly 2013 to present
  - Lisinopril filled monthly 2014 to present
  - Simvastatin filled monthly 2014 to present
  - No other doctors listed on Prescription Drug Report
- MIB
  - 2014 – codes for hypertension and depression

Case Study #1

- Medical Records
  - March 2016 – trigger point injections given, Meds: Cymbalta, Lisinopril, Simvastatin Flexeril prn, Ultram prn, Lidoderm patches. Diagnosis: mild cervical disc disease; multi-level lumbar disc disease with spinal stenosis at L4-5 & L5-S1, disc herniation with right side radiculopathy. BP 135/83
  - June 2016 – retiring – this would improve his pain and he was just getting exhausted working 8 hr days. Chronic low back pain and periodic radiculopathy down right leg; meds and diagnoses same; BP 130/87
  - Sept 2016 – BP 151/88; back & R leg are killing him; meds same; multi-level lumbar disc disease with increasing low back pain and occasional radiculopathy; MRI L spine: L4-L5 disc herniation extruded superiorly with L5 nerve root sleeve impingement, with canal, lateral recess and foraminal stenosis. L5-S1 disc herniation with S1 nerve root sleeve impingement with lateral recess and foraminal stenosis; surgical options discussed as current treatment is not providing any sustained relief of symptoms but patient not interested. Given epidural injection

Case Study #1

- Medical Records (Continued)
  - Feb 2017 - some improvement initially but symptoms returned - Trigger point injections given.
  - Trigger point injections given in June & Oct 2017; given Neurontin in Oct 2017
  - Nov 2017 – stopped Neurontin due to side effects and increased Cymbalta. Taking tramadol TID but only partial relief; Start hydrocodone; BP 132/80
  - Dec 2017 – symptoms improved with hydrocodone; stopped tramadol and taking Flexeril occasionally. BP 128/81

Case Study #1

What are your concerns with this case?

Case Study #1

What do you think?

Case Study #2

- Male age 58, non-smoker as of 2 years ago, 5’8” 230lbs

- Application
  - Uses CPAP for Sleep Apnea
  - Hypertension controlled on Lisinopril
    - Average home readings 122/82

Case Study #2

- Pharma Data
  - Lisinopril filled monthly since 2013
  - Rare antibiotic use

- MIB
  - Sleep Apnea and Hypertension

Case Study #2

- Medical Records

- Sleep Apnea was diagnosed 2 years ago with CPAP recommended. At that time, he was also advised to quit smoking. Subsequent office visits note cessation of cigarettes and nightly compliance with CPAP. Hypertension treated with Lisinopril for many years (average office readings are 128/85). Current build of 5’8” 230# has been stable for a couple years.

Case Study #2

What are your concerns with this case?

Case Study #2

What do you think?

Case Study #3

- Female age 63, non-smoker, 5’5” 154lbs

- Application
  - Diabetes, insulin use at 25 units/day, diagnosed 1995
  - Cymbalta for mood and leg pain since 2011
    - No regular exercise due to leg pain
  - Simavastin for cholesterol
  - Aspirin

Case Study #3

- Pharma Data
  - Insulin since 2014
  - Cymbalta since 2014
  - Neurontin 2013 to 2014

Case Study #3

- Medical Records

- 2/17 Diabetes, doing well, A1C 6.2, no change in insulin dosage, has tried to exercise after new year, somewhat limited due to foot pain. Cymbalta helps. Does water aerobics twice a week when she can. Continue current meds.
- 9/16 Doing well A1C 6.3, no change in meds. Cymbalta helping with feet pain, neuro exam normal. Feels as though there is sand in her socks when she walks, left foot > right foot. Peripheral neuropathy, failed Neurontin, try Cymbalta.

Case Study #3

What are your concerns with this case?

Case Study #3

What do you think?

Case Study #4

- Male age 60, non-smoker, 5’10” 220lbs

- Application
  - Married, no spouse applying
  - Simavastin for Cholesterol
  - Metaprolol for hypertension
  - Lexapro
  - Last saw MD in 2016

Case Study #4

- Pharma Data
  - No hits

- MIB
  - 2015 for Life Insurance
    - No codes reported

Case Study #4

- Medical Records

- December 2017 More stress at work and agitated with co-workers and spouse. Holiday too much. Discussed ways to decrease stress, would prefer to start medication. Rx Lexapro, f/u 6 months
- September 2017 usual mood, unhappy at home, thinking of retiring.
- September 2016 Annual exam, BP 127/78, no concerns, doing well, labs look good, see next year

Case Study #4

What are your concerns with this case?

Case Study #4

What do you think?

BGA Considerations

- Could we have stopped any of these before sending them to the carrier, should we have stopped them?
- What alternative product solutions might be a good fit? Should we have anticipated this based on the application?
- Could we have anticipated client under-reporting?
- What was the nature of the sale, what do we know about the producer?

Reframing the Marketing Process

Were there better options

- Case 1 - declined
  - Limited mortality risk but higher morbidity risk
- Case 2 – approved
  - Limited mortality and morbidity risk

Reinventing the Sales Process

- Were there other options

- Case 3 – declined
  - Limited mortality risk but higher morbidity risk

- Case 4 - declined
  - Needs lots of probing to determine correct product placement – many issues to be addressed

Reimagining the Marketing Process

- Focus on LTC planning, not product or features
  - This maintains flexibility to fit the solution to the financial and health situation
- Alternatives to product-focused business development
- Coaching Producers
  - Understand their practice
  - Anticipate challenges
- Point of Sale Focus
- Managing referral sources, partnerships

Reinventing the Sales Process

- When possible, get to know the client through the producer
  - Ask questions that might yield insights on health, finances, etc.
  - Add value by coaching them on how to proceed and fitting a solution to the need
- When producers sell LTC in the context of financial planning, more opportunities exist for field underwriting and needs analysis
- Get back to basics

Reframing Producer Expectations

- Set expectations based on how the case came to them
  - Did they bring it up to the client?
  - Did the client solicit them to “sell” it to them
- Meet the producer where they are, and prepare them for the current environment
  - Is this their first LTC case?
  - If not, how long has it been? What has changed since their last case?
- Be proactive in giving them an objective idea of what the outcome could be
- Educate producers about target market
  - How is it different from the past

Questions

Call to Action

- We can achieve success in field underwriting and growth in sales simultaneously – the two are tied together
- Producers should be approaching their clients about LTC protection, not the other way around
- We can do a better job of working with first time (or former) LTC producers
- Sales guidance is vital, particularly when it comes to brining producers back to LTC