

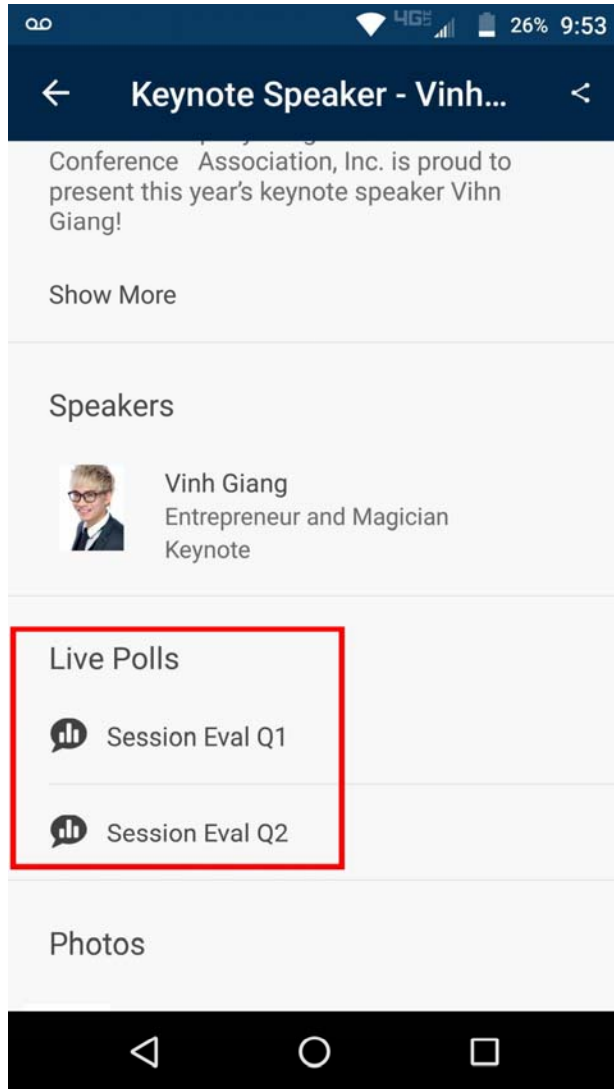
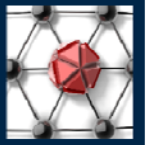
*Marketing & Distribution*

# **Field Underwriting Made Easy**



**18th Annual Intercompany Long Term Care Insurance Conference**

# Session Survey Instructions

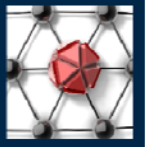


Once you are in the app go to the schedule and the session you are in.

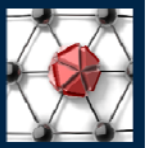
Scroll to the bottom to find the Live Polling questions.

This year the session survey questions can be found in this section and will take just a couple seconds to complete.

# Panelists

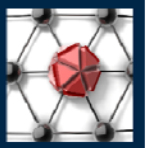


- Matt Anderson – Broadtower Insurance
- Demerri Bond – Mutual of Omaha
- Glenda Gowen-Nixon – Genworth
- Alex Ritter – Baird
- Moderator
  - Denise Liston – LifePlans/LTCG



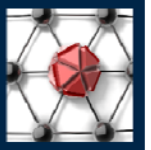
- How did we get here?
- Where did we come from?
- What changed?
  - Product and underwriting
  - Sales force
  - Sales process
  - Demographics

# Underwriting Challenges Facing Carriers

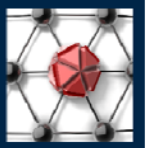


- Face to face sales are decreasing as a proportion of overall sales
- Special authorizations
- Tapping into 3<sup>rd</sup> party data
- Applicants not prepared for interview
- Adoption of field tools
- Undisclosed health information

# Underwriting Challenges Facing the Field



- Producer understanding of LTC underwriting
- Producer experience with their first LTC case
- Overcoming past experiences, perceptions
- Reactive sales process – wrong priorities
- Communication between carrier and BGAs
- Lack of proper disclosure by clients

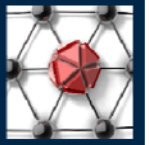


## Top Declines

### How Can the Field Help?

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

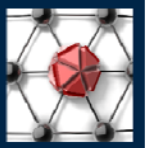
# Medications are key concern indicators



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

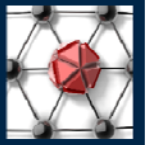


# Medications are key concern indicators



- 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

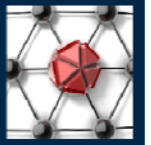


- Check you field agent guide!!!!
- Pre-screening
  - Email
- The APP store
  - Drugs.com
  - Mosby's Drug Reference
  - Epocrates

Websites:

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

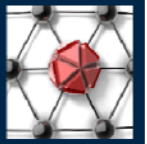
# Things to Keep in Mind



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

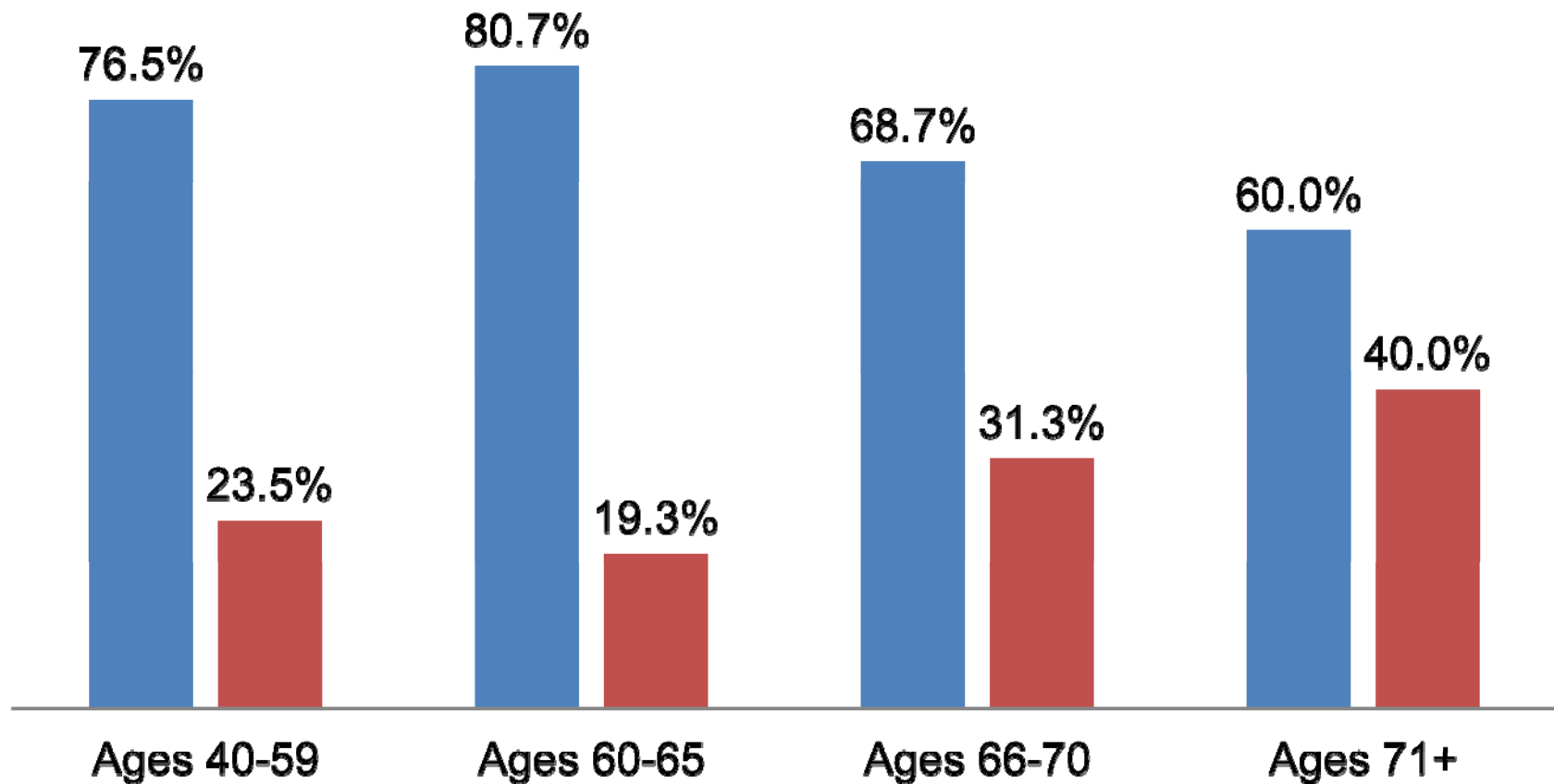
- Doctors may not be sharing all details to their patients
- Applicants may not fully understand their medical histories/diagnoses
- Applicants may underestimate or may not fully divulge their complete medical histories
- Applicants may not want to share sensitive details
  - Agents need to understand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

# What can we Learn from the Data?

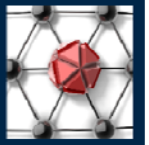


## Underwriting Decisions by Age

■ Approve ■ Decline

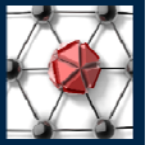


# Case Study #1

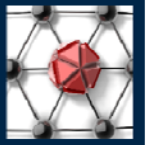


- Male age 63, non-smoker, 6'0" 220lbs
- Application
  - Diagnosed with hypertension and high cholesterol 2010 treated with Lisinopril and Simvastatin and self-reports both as controlled.
  - Depression diagnosed about 8 years ago; tried a few different medications initially but either didn't help or 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

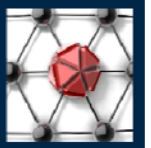


- Pharma Data
  - Cymbalta filled monthly 2013 to present
  - Lisinopril filled monthly 2014 to present
  - Simvastatin filled monthly 2014 to present
  - No other doctors listed on Prescription Drug Report
- MIB
  - 2014 – codes for hypertension and depression



- **Medical Records**

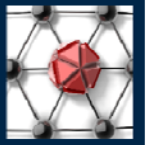
- March 2016 – trigger point injections given, Meds: Cymbalta, Lisinopril, Simvastatin Flexeril prn, Ultram prn, Lidoderm patches. Diagnosis: mild cervical disc disease; multi-level lumbar disc disease with spinal stenosis at L4-5 & L5-S1, disc herniation with right side radiculopathy. BP 135/83
- June 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



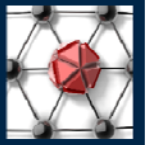
- **Medical Records** (Continued)
  - Feb 2017 - some improvement initially but symptoms returned - Trigger point injections given.
  - Trigger point injections given in June & Oct 2017; given Neurontin in Oct 2017
  - Nov 2017 – stopped Neurontin due to side effects and increased Cymbalta. Taking tramadol 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

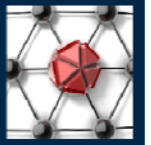


**What are your concerns with this case?**



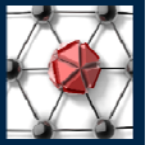
What do you think?

## Case Study #2



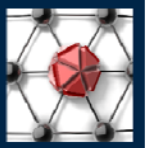
- Male age 58, non-smoker as of 2 years ago, 5'8" 230lbs
- Application
  - Uses CPAP for Sleep Apnea
  - Hypertension controlled on Lisinopril
    - Average home readings 122/82

## Case Study #2



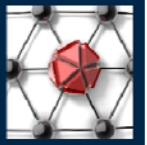
- Pharma Data
  - Lisinopril filled monthly since 2013
  - Rare antibiotic use
  
- MIB
  - Sleep Apnea and Hypertension

## Case Study #2

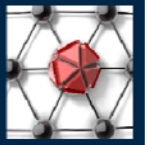


- Medical Records
- Sleep Apnea was diagnosed 2 years ago with CPAP recommended. At that time, he was also advised to quit smoking. Subsequent office visits note cessation of cigarettes and nightly compliance with CPAP. Hypertension treated with Lisinopril for many years (average office readings are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

## Case Study #2

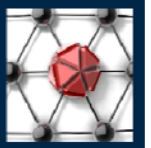


**What are your concerns with this case?**



What do you think?

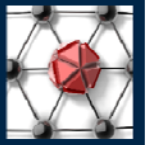
## Case Study #3



- 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
  - Simvastatin for cholesterol
  - Aspirin

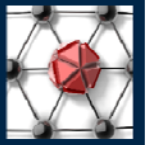


# Case Study #3



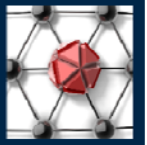
- Pharma Data
  - Insulin since 2014
  - Cymbalta since 2014
  - Neurontin 2013 to 2014

# Case Study #3

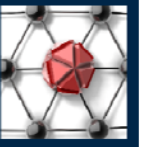


- Medical Records
- 2/17 Diabetes, doing well, A1C 6.2, no change in insulin dosage, has tried to exercise after new year, somewhat limited due to foot pain. Cymbalta helps. Does water aerobics twice a week when she can. Continue current meds.
- 9/16 Doing well A1C 6.3, no change in meds. Cymbalta helping 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

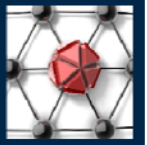


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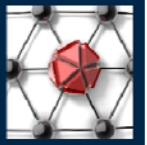
What do you think?

# Case Study #4



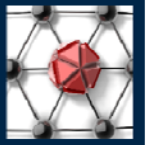
- Male age 60, non-smoker, 5'10" 220lbs
- Application
  - Married, no spouse applying
  - Simvastatin for Cholesterol
  - Metoprolol for hypertension
  - Lexapro
  - Last saw MD in 2016

# Case Study #4



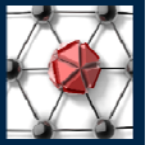
- Pharma Data
  - No hits
  
- MIB
  - 2015 for Life Insurance
    - No codes reported

# Case Study #4



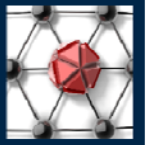
- Medical Records
- December 2017 More stress at work and agitated with co-workers and spouse. Holiday too much. Discussed ways to decrease stress, would prefer to start medication. Rx Lexapro, f/u 6 months
- September 2017 usual mood, unhappy at home, thinking of retiring.
- September 2016 Annual exam,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

## Case Study #4



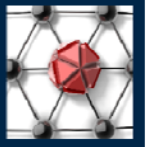
**What are your concerns with this case?**



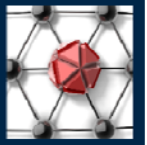


What do you think?

# BGA Considerations

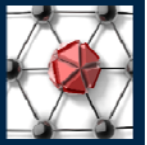


- Scrubbing before submission – Quality Control
- Clues the case may be a decline
- Considering alternative solutions
- Using disclosed health to generate specific follow-up questions
- Case origination



Were there other options?

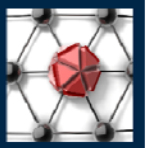
- Case 1 - declined
  - Limited mortality risk but higher morbidity risk
- Case 2 – approved
  - Limited mortality and morbidity risk



Were there other options?

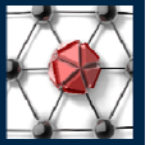
- Case 3 – declined
  - Limited mortality risk but higher morbidity risk
- Case 4 - declined
  - Needs lots of probing to determine correct product placement – many issues to be addressed

# Reimagining the Marketing Process

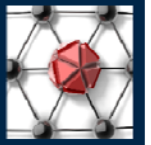


- Focus on LTC planning, not product or price
  - Help producers cultivate an LTC Planning Process
  - Give them tools to profile case (needs analysis)
- Find and use alternatives to product-centric business development
- Coaching Producers
  - Get to know their practice
  - Anticipate challenges
  - Point of Sale Focus
- Managing referral sources and partnerships

# Reframing Producer Expectations



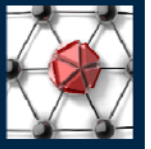
- Set expectations based on details of case
- Meet the producer where they are
- Have a model for an ideal LTC producer, help your producers take steps to become one
- Educate producers about effective business development
- Overcome misinformation



## The Exciting New World Order of LTC Planning

- Life, Annuities, LTC - everyone is talking Long Term Care!
- Benefits of Yesteryear - Limited pay & single pay, Unlimited Benefits
- Solutions for the healthy, marginally healthy, and even the uninsurable
- High Consumer demand but low Advisor participation

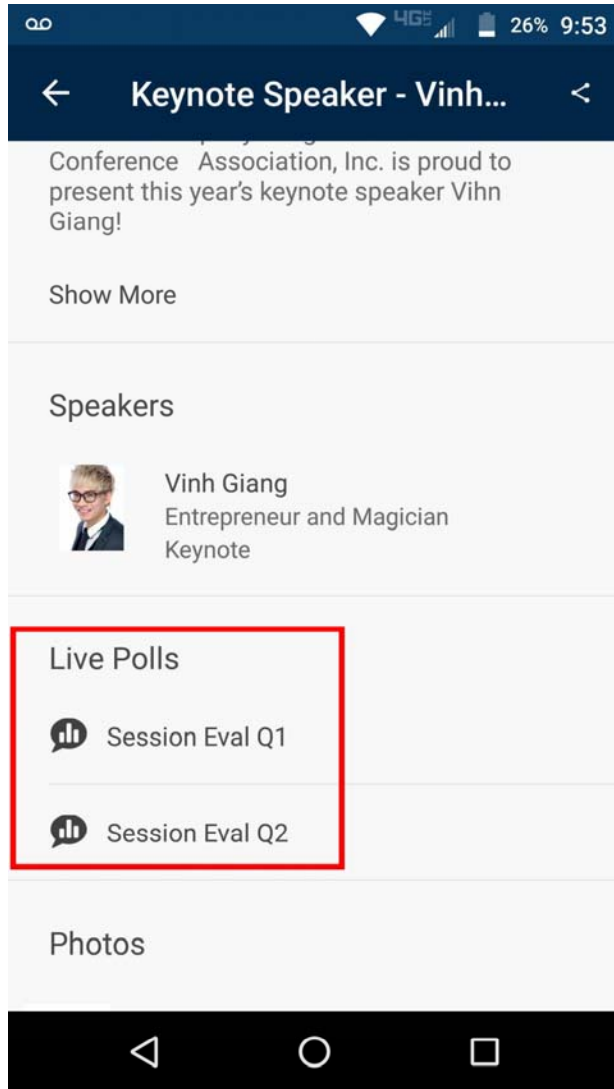
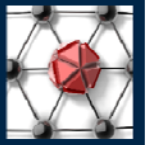
# Call to Action



- Underwriting success and sales success are tied together
- Leverage proactive sales and marketing
- Overcome incorrect perceptions
- Focus on first time producer experience
- Sales guidance is crucial



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# Questions

