

Sales



LTCi as a \$1M Ancillary Business

Tales from the non-Specialist Specialists:

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Michael B. Uretsky, CLU

Sr. VP, Director of Group Products & Employee Benefit Sales, Boston, MA

Henrik Larsen, MBA, CLTC [Moderator]

CEO, Advanced Resources Marketing, Boston, MA



14th Annual Intercompany Long Term Care Insurance Conference

- Premise
- Panel Introduction & Practice Description
- Case Studies
- How is the sale...
 - Prepped
 - Set up
 - Sold
 - Enrolled
- Products & Marketing in the near future

- This is just another multi-life session...
- However, it is not about selling LTCi...
- It is about enrolling a benefit that happens to be LTCi
- How the non-specialist specialist just sold \$1M...
- ... of LTCi...
- ... on top of all their other product offerings!

R. Brent Lamon, RHU, CLTC

- Vice President
- OneSource Brokerage, Inc., Birmingham, AL
- Multi-Line Insurance General Agency
 - Life
 - D/I
 - Hybrids
 - LTCi

Michael B. Uretsky, CLU, CLTC

- Senior Vice President
- Eastern Insurance Group, LLC, Boston, MA
- Wholly owned Insurance & Employee Benefits Agency Eastern Bank, the largest independent mutually owned bank in New England
- Group insurance products
- DC HIX-Private exchange development
- C-Suite Executive Benefit Plans [Life, D/I, NQDC, LTCi]

Henrik Larsen, MBA, CLTC

- CEO
- Advanced Resources Marketing, Inc., Boston, MA
- Founded in 1986
- One of the nation's largest distributors of LTCi
- Comprehensive platform with a significant presence in all channels
- Staff of 20+ with offices in FL, NC, PA & VA

Regional Grocery Store

- Initial carve-out of 10 executives
- Employer Premium: \$54K
- The Case of the Golden Hand-Cuffs
- aka, the days of 10-pays & pay-to-65.
- The benefit was implemented as a part of a larger expansion project placing emphasis on executives staying with the company
- Limited pays for employer-funded-only case?

Insurance Company

- Initial carve-out of 60 executives
- Employer Premium: \$255K
- CEO's wife had a stroke which brought to the forefront the cost of care
- *Personal experience is a driver in the employer group marketplace just as much as in the individual marketplace*
- This is *the* case for an individual sale leading to a group case
- Not kidding. \$255K!

Multi-National Shipping Company

- Proposal for 23 executives and 388 ship captains
- \$343K
- Presentation to HR as opposed to Benefits Committee
- HR's presentation was "If you want LTCi, it will cost X"
- "X" = \$343K
- If you are not presenting to the decision maker, you are not presenting!
- *This rule does not change as the premium gets bigger!*

HMO

- Voluntary offering to 800+ employees
- Employee Premium: \$142K [17% participation]
- Unparalleled support
- Other benefits had been enrolled with strong involvement and educational support from HR
- Look at the employer's "product" and align your offering accordingly.

Regional Bank [not Eastern Bank]

- Initial carve-out of 25 vice presidents; now up to 41
- Employer Premium: \$103K
- Exercise in sophistication
- CFO [extremely intelligent] wanted something truly unique
- The implementation of other [executive] benefits provided the roadmap for how to position and close the LTCi sale

New England P & C insurance company

- Voluntary offering to 600 employees
- Employee Premium: \$51K [8% participation]
- Multiple locations and lack of control
- No executive benefits in place lead to no tailored presentation to this group, and only one [1] executive enrolled
- You cannot use LTCi has the door opener

Other Product Offerings - context:

- D/I
 - Protects earned income
 - Easier to imagine the paycheck disappearing
 - Reverse discrimination
- Life Insurance
 - Protects [your future] income for others
 - We will all die [statistically]
 - Reverse discrimination

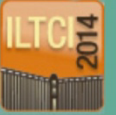
Other Product Offerings - context:

- LTCi
 - Protects retirement *income*; not assets
 - How do we position the *risk* – compared to the positioning of the other products?
 - Since we don't have the *reverse discrimination*, how do we position the need?
 - Though the employer funded LTCi platform requires a certain amount of *benevolence*...
 - ... to what extent can we make LTCi an *alternative* to Life & D/I to compensate for reverse discrimination?

- The role of the *Traditional* LTCi product
 - Are current multi-life concessions sufficient?
 - Will we ever have LTCi on a group platform again?
 - What role can LTCi play in HIXs?
- The role of the *Hybrid* product
 - What role does it play from...
 - ... a product / benefit standpoint
 - ... a marketing / enrollment standpoint?

? & !

Thank you!



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