

A closer look at pricing:

Sometimes three policies are cheaper than one.

Here's how one attorney saved herself \$1,762 per year and provided valuable free protection for her employees...



Linda McVey is a 46-year-old attorney. She is a sole-proprietor and has two employees, both of whom are clerical. She contacted her agent Rick Zimmer because she wanted disability insurance for herself. Here's what Zimmer quoted:

Disabling definition:	Own-Occupation
Benefit Amount:	\$4,000 per month
Elimination Period:	90 days
Benefit Period:	To age 65
Policy features:	Non-cancelable, Residual, COLA riders
Annual premium:	\$4,829.00

When Linda received the quote, she was stunned by the price. Although she understood the need for disability insurance, she hadn't expected to pay so much for protection. Rick wisely calculated the daily cost of the policy and compared it to the daily cost of her car and home insurance to put things into perspective. The daily cost of the disability policy was \$13.23. While that made sense, Linda was still price resistant. When Rick asked, she said that she would prefer to spend \$10.00 per day on a policy.

Rick brought the case to the experts at Disability Insurance Services. They proposed a solution that saved Linda \$1,762 per year off her annual premium, bringing her well within the range of her preferred budget.

What did they do? First, here's what they DIDN'T DO:

- They didn't water-down the disabling definition.
- They didn't extend the elimination period.
- They didn't shorten the benefit period.
- They didn't remove important policy features.

Here's what they DID: They added Linda's two clerical employees to the policy, taking advantage of generous multi-life discounts. Linda kept exactly the same coverage as originally quoted. Her employees received disability policies with a \$600 per month benefit, a 365-day Elimination Period and a 2-year

Benefit Period. The total annual premium for all three lives was \$3,067 — a whopping \$1,762 less than the original individual case. While Linda has the rock-solid protection she needs, her employees have one more reason to stay with her — generous and FREE disability coverage. It's a win-win-win — for Linda, her employees and her disability agent.

What's more amazing than the savings illustrated by this case, is the fact that these kind of multi-life discounts are available every day, yet rarely taken advantage of. Disability insurance carriers routinely offer discounts of 10 to 30 percent for multi-life cases. **What an opportunity!**

Disabling Definitions

How to Get Started with Lucrative Multi-Life Sales

1. **Get a clear picture of your target market.** Multi-life selling works best with closely-held smaller businesses, such as the case just described, and with companies of 100+ employees. Both markets are under-saturated.
2. **Schedule a consultative, fact-finding meeting with the decision maker.** Go there to learn — not to sell. Ask lots of questions. What disability protection is currently in place for the executives? What would happen if an executive (such as the decision maker) were disabled for an extended period? Does the company offer employee benefits? Do they include any form of disability insurance? Can you review the policy? Employers have been burned by escalating health premiums, so make sure that your prospect knows that it's often more affordable to insure many employees than it is to insure an individual, and that you'll be providing him/her with a full comparison so he/she can choose what will work best for the company's unique situation.
3. **Work with DIS to create plan options that best meet the needs of the client.** For smaller companies, it's often most advantageous to structure a plan like Linda's, where the executive enjoys significant cost savings, while at the same time offering his/her employees free or very affordable coverage. Larger groups often already offer employees a limited Group Long-Term Disability (LTD) plan. In those cases, you'll want to offer employees voluntary tax-free (employee-paid) disability benefits to supplement their inadequate taxable LTD protection.
4. **Secure top-down buy-in for voluntary plans.** If you're marketing to a larger employee group, make sure to get strong buy-in from the top before scheduling employee meetings. The greater the employer support, the stronger the plan participation. Active support can result in participation of 80 percent or more, while weak support yields participation of 20 percent or less. Support will be shown by the employer's introduction and endorsement of the program on company letterhead, and by a verbal introduction and endorsement at the start of the employee meeting. Keep your portion of the presentation simple and needs-focused, and conclude by asking interested employees to sign up for individual consultations. Contact DIS for assistance with developing a tailored plan and presentation to meet each client's unique needs.

Too good to be true?

Although the case of Linda McVey may seem too good to be true, it is true. With consumer goods and with insurance, higher volumes result in lower prices. Why not harness the power of multi-life discounts? **You might just see your executive sales soar!**

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