



Volume 4

# Tips From The Toolbox

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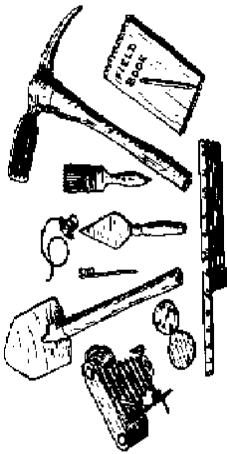
For Insurance & Investment Professionals Only



Issue 1



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## 7 Reasons People Buy LTCi

Why do people buy long term care insurance? Understanding “why” they buy helps you better position your product to appeal to the consumer.

We’ve always known people were concerned about maintaining their independence, but their motivations to buy LTCi go much farther.

1. **They acknowledge they are getting older and want to be prepared in case they need help.** They want to have the funds available to pay for the care they want without burdening their kids or wiping out a lifetime of savings.
2. **They want to stay home as long as they can.** For most people, the ability to stay home as long as possible is vitally important.
3. **They’ve seen what happens to people who don’t have LTCi.** They have watched them struggle financially and seen the toll on family members and want to avoid

this, for themselves and their family.

4. **They don’t want their kids to take care of them.** They understand the difficulty of juggling family and work while caring for an aging parent and don’t want to be an additional burden on family members.
5. **They don’t want to spend their life savings on LTC services.** They don’t want to wipe out their life savings paying for care and have nothing to live on.
6. **They want to leave an inheritance for their children and their grandchildren.** They understand LTCi helps preserve an estate so it can pass to their heirs.
7. **They know buying LTCi is a smart thing to do.** They have life, auto and homeowners insurance, and know LTCi can protect their assets from being wiped out.

**The MAIN REASON they don’t buy is that they thought the cost of LTCi was more expensive than it turned out to be.** When an agent showed them how affordable LTCi could be, and the many financial benefits it provides, seniors really WANT to buy this product.

## Guaranteed Issue Whole Life

Finally, a life insurance product for the previously uninsurable, with death protection to age 100.

Introducing Americo’s Eagle Series II Final Expense plan.

- ◆ Issue Ages 40-80
- ◆ Face Amounts \$1,000 to \$10,000
- ◆ Limited death benefit

during the first 2 policy years.

- ◆ Continual pay or 20-Pay premium option

Americo is a highly rated, competitive life carrier, with excellent commission.

Visit our website for “fax back” licensing or call John at **800-951-1708** for information.

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## Disability Income: Selling the “Overlooked” Markets

The ability to earn a living is most consumer's greatest asset. Most working Americans lack sufficient savings to weather even a modest 1-2 week disability, much less a prolonged illness or injury.

Having a “Paycheck Protection” plan is one of the most essential components of family planning, given that 50% of all foreclosures are the result of the homeowner being unable to work due to a prolonged injury or illness.

Of the 1.5 million people who filed for bankruptcy in 2001, about half of those cited illness as the most common reason. 33% of all families deplete most (or all) of their savings because of a serious illness.

For many hard-working “blue collar” and “gray collar” Americans, their vocation is injury prone, making it hard to obtain disability income protection - even though they are more likely to need this type of coverage.

That's where YOU come in. By offering disability income insurance, you can help these hard-working Americans protect their ability to earn a living.



Hard-to-place industries include:

- ◆ Police Officers
- ◆ Truck Drivers
- ◆ Teachers
- ◆ Pastors / Clergy
- ◆ Real Estate Professionals
- ◆ Postal Workers
- ◆ Cosmetologists
- ◆ Dental Hygienists
- ◆ Nurses
- ◆ Firefighters
- ◆ Paramedics
- ◆ Emergency Medical Technicians

Let us quote your next DI case, or **ask us for details on our turn-key DI selling system**. For complete details, a proposal, or a complete marketing kit, contact John @ **800-951-1708**.

Sell “Monthly Income”, not death benefit, to increase your life insurance sales!

## Try This With Your Next Life Insurance Sale Selling Income...Not Death Benefit

Here's a novel approach to selling life...and it is one that will knock out the competition. Most agents focus on selling death benefit, recommending 7-10 times annual earnings as a “rule of thumb”. So the premium becomes the most important factor in the sale.

By selling “income”, not death benefit, you can take attention off the premium and focus more on the benefit to the beneficiaries.

As clients are used to living on a “monthly income stream”, they can appreciate (and will buy) a life insurance plan that creates a monthly income for a specified period of time, or a guaranteed income for life.

Selling “monthly income” also protects the heirs from “blowing” the inheritance. At the death of a loved one, grief can cause heirs to make bad money decisions, and far too many lump sum death benefits are exhausted for this reason, leaving the family without an income.

Here are two ways to SELL INCOME and boost your life insurance production:

1. Chesapeake Life offers a “monthly income” option on both their Term and UL products, so the policy owner can designate the proceeds are paid as an income stream, rather than a lump sum. They also offer a point-of-sale software program to help you calculate the amount of life insurance needed to meet specific needs.
2. We also offer a Life Insurance Calculator on our website (under the Misc. Forms section) that allows you to talk “income replacement” with your clients. This handy PDF helps you quickly determine the amount of life insurance needed to create a specified income stream for a stated number of years. You then use our TERM QUOTES ONLINE engine to shop rates.

Either of these programs can help you write more life insurance, and assure your clients' heirs with an income stream in the event of premature death of a breadwinner.

## WE WANT YOUR TERM LIFE DECLINES

Ideal for your Questionable Life Cases  
Great For Phone, Mail or Internet Clients, Too!

- Only 4 Health Questions
- 4-Day Jet Issue to \$100,000
- NO Blood NO Urine NO Exam NO APS
- Minimum \$2,000 Face Amount
- FREE Terminal Illness Benefit
- FAX APPLICATION TO HOME OFFICE
- Initial Premium Can Be Bank Draft
- Optional Child Rider (FREE With \$100k face amount)
- HIGH First Year Commissions
- 15, 20 and 30 Year Term with Optional ROP



Call Jimmy @ 800-580-8285

From our Friends at CMIC...

## First and 10-10-10 with RBC Choice 10

Score BIG with This Annuity:



- ◆ 10-Year Product
- ◆ 10% Commission
- ◆ 10% Maximum Surrender Charge

RBC Choice 10 Index Annuity (SPDA) also features:

- ◆ Choice of 4 Interest Crediting Strategies
  - ◆ Quarterly Point to Point Indexed Account
  - ◆ Monthly Averaging Indexed Account
  - ◆ Fixed Interest Account
  - ◆ Asset Allocation
- ◆ Linked to Dow Jones Industrial Average
- ◆ 100% Guaranteed Participation Rate
- ◆ Additional Premium Deposits Allowed First Year
- ◆ Trail Commissions Available

*\* Commission reduction at older ages*

Call John @ 800-951-1708

- or -

Jimmy @ 800-580-8285

## Medicare Supplement vs. Medicare Advantage

With the advent of Medicare Advantage plans, seniors today have a choice in health care plans:

- ◆ Stay in the Traditional Medicare program
- ◆ Move to a Medicare Advantage program

Medicare Supplement programs are best suited for those clients who want little (or no) out-of-pocket when they receive services, and for those who have major health issues that require ongoing treatment.

Medicare Advantage plans are best suited for those clients who want to reduce their premium costs so they can purchase other needed coverage (like LTCi), and have sufficient liquid assets to pay copays and related out-of-pocket expenses.

It is imperative that agents present both options openly and honestly with consumers, explaining both the pros and cons of each program so the client can make an informed decision. Out-of-pocket expenses and any plan limitations should also be fully disclosed.

## Major Medical Declines? We've Got Options!

Here's a new limited benefit medical plan from a major "A+" rated life carrier that includes:

- No Deductible or Copays
- Use **ANY** Hospital or Doctor
- Four Plan Designs to Choose From
- Limited Underwriting - Only **TWO** Health Questions (24-Month "look back" on health questions)
- Pays in Addition to **ANY** Other Coverage
- Very **AFFORDABLE** Rates
- Benefits Paid Directly to Your Client

Need A "Virtually Guaranteed Issue" Medical Plan (from an "A+" rated carrier) for high risks?

- NO Deductible or Copays
- Use ANY Hospital or Doctor
- Only ONE Qualifying Health Question
- Doctor Visits Covered (\$50 or \$75 per visit)
- Three Plan Designs to Choose From
- Two Plans Include Prescription Drug Benefit

Call Jimmy @ 800-580-8285

## Affordable Accidental Death Plan

### Accidental Death (w/ROP)

Underwritten by United Home Life

Rated "A" Excellent by AM Best

- Affordable accident protection that **DOUBLES** in 20 years.
- Provides **GUARANTEED LEVEL PREMIUMS** over a 20-year period.
- Provides a **RETURN OF 20 ANNUAL PREMIUMS** in year 20.
- Is **GUARANTEED ISSUE** if your client has a good driving record and is not involved in a hazardous avocation.
- Available in 3 amounts: \$50,000, \$75,000, and \$100,000
- Issue ages 18-60, only **ONE** rate class for all ages and either sex.



- ◆ Ex: \$100,000 Coverage
- ◆ \$245 Annual Premium
- ◆ Coverage doubles to \$200,000 in Year 20
- ◆ ROP in Year 20 = \$4,900

Call our office for details  
800-951-1708 or 800-580-8285

## Secure Dental One



A new, affordable dental product for individuals and families, with rates as low as \$5.00 per month

### Secure Dental One

Underwritten by HPA Administrators

- ◆ Affordable rates starting as low as \$5.00 per insured person
- ◆ Three plan designs – BasicOne, ClassicOne, Premier-One \*
- ◆ A \$100 lifetime deductible – per insured person
- ◆ Freedom to select your own dentist \*\*
- ◆ Optional OrthoCare Orthodontic Discount Program \*\*\*
- ◆ Currently available in 38 states and Washington DC
- ◆ Opportunity to earn additional HPA Awards+ points

\* Diagnostic, Basic and Major Care are not available in the BasicOne Plan option

\*\* BasicOne is a PPO plan utilizing the Dentemax PPO network and fee schedules

\*\*\*Optional OrthoCare Program is NOT insurance and is not insured by Standard Security Life

Call John @ 800-951-1708  
Call Jimmy @ 800-580-8285

## Think About This

### Living Too Long

Income is required as long as one lives. Most people cease to earn income at some age (usually around age 65) and rely on investment income to support their lifestyle in retirement. How long must a person stretch their savings? If a person has sufficient savings to last 25 years, what happens if the person lives 35 years after retirement?

Average medical costs increase dramatically with age. If someone lives longer than expected, the cost of medical care will increase and last longer. Also, nursing home expenses can escalate an already acute financial crisis. Many people find they simply cannot afford to keep living should they have to pay for long term care services out of their own pocket.

Thus, it is imperative that agents discuss the problems of longevity with their senior clients. Seniors need to see LTCi as an "income and asset protection" plan, much as disability income protected them during their working years. It's a conversation that needs to take place sooner rather than later.

## Value Hospital Plan

### Sickness & Accident Hospital Indemnity Benefits for Individuals, Families, and Groups

- ◆ NO Deductible or Co-Pays
- ◆ Use ANY Hospital
- ◆ Benefits paid directly to YOU
- ◆ ONLY 2 Health Questions
- ◆ HSA Compatible
- ◆ Issue Ages 0-64
- ◆ Daily Hospital Confinement Benefit from the 1<sup>st</sup> Day, Up to \$365,000 per Confinement (\$1000 per day)
- ◆ Daily Intensive Care or Coronary Care Benefit, Up to \$120,000 per Hospital Confinement

Issue Age Unisex Rates \*

Age:	Child	19-39	40-49	50-59	60-64
Monthly:	\$20.00	\$40.00	\$50.00	\$75.00	\$90.00

\* Add \$7.50 monthly administration fee per certificate

Ask about Value Med Plan and Value Health Plan, Too!

Call John @ 800-951-1708

## Simplified Issue Term Life

### *It's not just for the Home Mortgage anymore...*

Simplified issue life insurance remains a popular product among life and health agents.

Simplified issue term life continues to be a popular product among life and health agents. Here are a couple of carriers you may want to consider adding to your portfolio:

Americo's Home Mortgage Series Simplified Issue Term series was recently enhanced to make it even better:

- ◆ Simplified issue term life insurance
- ◆ Issued Standard through Table 6
- ◆ Return of Premium Rider
- ◆ Disability Income Rider
- ◆ Faxed Application
- ◆ NO Proof of Mortgage required
- ◆ NON-MED through \$400,000  
\$250,001 to \$400,000 with saliva test

Americo's disability income rider uses an "own occupation" definition, with up to 3 exclusion

riders available.

United Home Life continues to be a favorite in the small-face term market, and for hard-to-place life cases:

- ◆ Only 4 Health Questions
- ◆ 4-Day Jet Issue to \$100,000
- ◆ NO Blood NO Urine NO Exam NO APS
- ◆ Minimum \$2,000 Face Amount
- ◆ FREE Terminal Illness Benefit
- ◆ FAX APPLICATION TO HOME OFFICE
- ◆ Initial Premium Can Be Bank Draft
- ◆ 20 and 30 Year Plans with Optional ROP
- ◆ Optional Child Rider (FREE With \$100k face amount)

Both plans offer great compensation to the agent, and FAST ISSUE.

Call Jimmy at **800-580-8285** for details.

**ONLINE  
QUOTES**

## TERM QUOTES ONLINE

### *Shopping the Term Markets Helps Close the Sale*

We continue to hear from agents on a weekly basis how our Term Quotes Online engine helps them close more term life sales.

Over 30 carriers, offering over 165 term life plans, can be quoted by simply clicking on the TERM QUOTES ONLINE link on our home page, inputting some basic information, and clicking "Submit". It's fast and accurate!

You can also access applications and forms directly from our website, and submit your first case with completed contracting in most states.

Check out our updated Term Quotes Online service today:

[www.imga.com](http://www.imga.com)  
[www.imaagents.com](http://www.imaagents.com)

### Introducing

## A REVOLUTIONARY CASH ACCUMULATION SELLING SYSTEM

- Retirement Funding
- College Funding
- Flexible Funding Options
- Identity Theft Protection

\*Membership required in the American Association of Private Employees, a non-profit association.

## FREEDOMFLEX

- Tax-Deferred Cash Accumulation
- Modified Premium Term Life
- Disability Income Benefit (Optional)
- Accident / Critical Illness (Optional)

## OTHER OPTIONAL BENEFITS "Flexcare" GAP Plan

Lower your clients health insurance premiums by increasing deductibles and coinsurance. Flexcare helps pay these "out of pocket" costs for inpatient procedures.



Tips From the Toolbox  
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 Russellville AR 72811

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For other sales tips and ideas, contact our office and ask to be added to our Sales Tips E-Mail List.

## It's All in the Packaging

By: John L. Terry, III

I spent the better part of an hour shopping for my daughter's birthday present. As I perused the toy aisles, I spent a bit of time looking at the packaging of the various toys for sale. As much (or more) effort goes into making the product visually appealing to the consumer.

Packaging is BIG business, and toy companies pay big bucks to see that their product "stands out" on the shelf...as the packaging sells the product in the box.

The packaging tells me what this product will do, what attachments come with it, and how it will bring pleasure to the end user. It doesn't tell me the mechanics of the product, but the benefit to me from using it.

Later that night I was reading an industry magazine and again noticed the "packaging" that went into making this periodical stand out on the shelf. So the concept of "packaging" has been on my mind for a several days.

Each time we sit down with a prospective client and present a product, we need to consider the "packaging" if we want to close more sales.

All too often, we focus on the mechanics of the product when the consumer is waiting to see the "packaging". They want to know how the product you are promoting will BENEFIT them in one way or another. Clients want you to answer the question, "What's in it for me?"

Packaging products into a "conceptual sale" can also help with your persistency, as clients are less likely to change the individual plan components as they view it holistically, not as individual products. This is a common practice used by some of the top producing agents in the United States.

Lastly, consumers are also looking at YOU, and how YOU are packaged. After all, they are buying YOU long before they buy a particular product so you only have ONE CHANCE to make a good first "package" impression.