

# SALES TRACKS – LTC

Starting a conversation with your clients about any insurance topic can be tricky at times, but Long Term Care often proves to be the most difficult. The complex emotion and cost that comes with a Long Term Care need can be overwhelming, but a conversation around LTC insurance is one that needs to be had. Here are a few ideas as to how to start the conversation, and how to overcome various objections.

## Conversation Starters –

***“Do you currently have a plan to handle a Long Term Care situation later in life?”***

Sometimes, the simpler the better. Ask this basic question, and from there you can gauge your client’s knowledge and interest.

***“Have you ever had a parent in a long-term care facility, and if so, how was it paid for?”***

Ask every prospect and client who is 50 years old or older to tell you about their plans as to how they would handle an LTC situation. Ask if they’ve ever had a parent in an LTC facility, and if so, how they were able to pay for the care. This question can be uncomfortable to answer, but it forces clients to face up to the facts.

***“Are you aware if you eventually need any type of long-term care, there are only three funding choices for you to consider?”***

Ask this simple question, and the client’s true knowledge base is exposed fairly quickly. First, some sort of government-funded plan, such as Medicaid, or your family members. But ask the follow-up question to this, which is “how reliable is this option really”? Second option, self-insure - the use of your personal assets. If self-insurance is the preferred choice, the follow-up question then becomes, “Which assets will you liquidate

first?" And then there's the third choice, a personally owned LTC-type insurance policy — which places the owner/insured in control.

***“Are you aware you can buy Long Term Care on a life insurance chassis, guaranteeing money back from the policy? And did you know you can buy these policies with qualified money?”***

This is a great approach for someone you have already spoken to about Long Term Care, or for someone you know to be an informed customer. This is also a great way to re-ignite the LTC discussion with a client who has turned you down or put you off in the past.

## **Overcoming objections -**

Prospects generally don't state their real objections. There's typically something deeper and, unless you flush out all the objections, the prospect will lead you away from the real issue that keeps them from acting.

### **OBJECTION - “I Don't Think I'll Ever Need It”**

To this, simply say "other than thinking that you may not need it, is there anything else that stops you going forward with this today?" Often you hear that they're not certain what their children will say. "So Mr. Prospect, let's assume you spoke to your children today, and they said it was a great idea, would you want to get this started now, or is there anything else you need to know?" If they said they will take care of you, is that what you really want for them to do? The real objection may be that they just don't want to spend the money. When that seems to be the obstacle, say something like, "so, let's assume you have \$6,000 a month that you are able to spend today for 2-3 years" and let them come to their own conclusion as to which is better-- \$3,000 a year or \$6,000 a month. Then take it out to 30 years when the cost of the care will

probably be \$24,000 a month (assuming only 5% growth in cost) and the prospect starts to understand.

### **OBJECTION - "We Have To Think About It"**

If you come to the end of a presentation and someone says they have to think about it, ask if there's something you said that doesn't make sense. Typically, they'll say no, that they just would like time to talk about it and think things over. Reply enthusiastically with, "Great, I'll be happy to speak with you or meet again, so why don't we make an agreement to speak again next week at such and such a time." That's always agreeable. Then perhaps ask again, "By the way, is it the money?" The answer is going to be either "Yes" or "No". If the answer is yes, then talk about it and ways you can adjust the premium (cost).

### **OBJECTION – "I'll lose it if I don't use it".**

"Why should I pay for something I may not need?" That concern becomes a non-issue with hybrid Life/LTC products, which are guaranteed to provide either a long-term care benefit while the policyholder is alive or a death benefit that passes to beneficiaries tax-free if the policyholder never uses the LTC benefit.

### **Objection: "I'm concerned the insurance company will raise my rates".**

Historically, this has been an issue with traditional long-term care insurance. Again, a hybrid product, which sits on a UL or whole life chassis, alleviates this issue