



The Extended Care Planning Sales Process

Effectively selling long term care and linked benefit insurance requires a comprehensive planning discussion that includes the key issues and topics which need to be considered when developing a plan for extended care. Following an impact-based sales process allows your client understand the impact that the need for care will have on them, their finances and their loved ones.

This document will walk you through the impact-based sales interview, providing you with key questions that will form the basis from which you can conduct the extended care planning discussion. Along with these key questions, we have included insights that will help you understand the nature and significance of these questions and action steps that will provide you with tangible activities that should be taken if certain situations are present.

Key Questions

A comprehensive extended care planning discussion involves key issues and topics to be considered. The following key questions, available in the Impact-Based Sales Interview, form a basis to conduct the conversation.



Producer Insights

The producer insights comments are provided to help the producer understand the nature and significance of the Key Questions and Action Steps.



Action Steps

The action steps are provided to help give direction to the producer.



STEP 1: Begin the Extended Care Conversation

When hearing the words 'long term care', most people begin to develop some type of negative thoughts or images. To help avoid negative thoughts, it's always best to start the conversation using the term 'extended care'. If the term 'long term care' has already been used in previous discussions, you will want to reshape and broaden the conversation to include all levels of care.



"Do you know someone who needs/needed help to get through his or her day?"

- | | |
|---|--|
| a. Who was it? | e. How did things turn out? |
| b. What happened? | f. How much was it then, and how much would it cost today? |
| c. When did it happen? | g. How did it affect your spouse/partner/children? |
| d. Where did it happen (location of care) ? | |



The questions above are designed to help you determine your prospects' prior experiences and knowledge regarding extended care. These questions also set the tone for the entire interview; it's a conversation, not a monologue. This step allows prospects to share their information first, helping to ensure that they are engaged and that the discussion is focused on them.

The questions are not just financial because there are potentially significant consequences to family, loved ones, and caregivers. Be sure to ask about the consequences to those providing care (e.g. *What was the impact on the health/welfare of the remaining spouse, partner, family members? Did the majority of care fall on one individual? Did a child need to leave his/her job?*).

Note: While these questions are legitimate, it is critical to avoid using scare tactics in your conversation.

STEP 2: Share The Client Experience



"How familiar are you with the different types of care available today? Let's review the available options"

"Have you ever known someone who needed care in a Nursing Facility, Assisted Living Facility, Hospice Care, Home Health Care... ?" (ask questions below)

- | | |
|--|--|
| a. Who was it? | e. How did things turn out? |
| b. What happened? | f. How much was it then, and how much would it cost today? |
| c. When did it happen? | g. How did it affect the spouse/children/business? |
| d. Where did it happen (location of care)? | |



Provide Education on Available Extended Care Services

The purpose of reviewing the types of LTC services available today is to assist you and your prospects in an educational process, as well as helping to immerse them in the reality of LTC in a non-confrontational and conversational format. By asking the questions that we mentioned previously and by sharing the [Types of Long Term Care](#) flyer, you will be able to do the following:

- A. Discover what your prospects already know by asking questions about their prior experiences.
 - Your objective is to discover what their experience and knowledge is before you volunteer additional information, allow them to engage in the conversation and then fill in the information your prospects may not already know.
 - Inform your prospects about the types of care as well as the financial cost of long term care services available today.
 - This is NOT the time to bring up selling LTC insurance. You are creating an opportunity to learn what they know; then they have the opportunity to learn what you know. (*current types of care, current cost of care, and the consequences they and their family may experience as a result of needing care*)
- B. Once you have helped to immerse and engage your prospects in a comprehensive overview of the financial, physical, and emotional impacts of needing extended care services, your prospects are now prepared for you to ask a few important questions.



"Extended care is a life changing event that could have a significant, unintended impact on your life or the lives of those around you, and your ability to keep financial commitments."

"It may never happen to you, but if it happened today how would it impact you, your spouse, your children, your business or your retirement income?"



This issue is critical. It is intended to help your prospects consider the impact of LTC as a holistic event. LTC is not just about them, it impacts everyone around them as well. A comprehensive discussion about the issues surrounding extended care planning and LTC should include not only the individual needing care, it should also include the physical, emotional, social, and financial consequences to the caregivers (spouse, partner, family, friends). This is the point where key issues that are important to your prospect are formulated.

- A. Without a plan to address an unexpected need for care, the emotional and physical wellbeing of those your client wants to protect may be impaired.
 - Providing care to a chronically ill person can make healthy caregivers ill.¹
 - At least one caregiver will most likely need to put aside their personal life to provide care.
 - Providing care may have a significant impact on the caregivers wellbeing, as well as that of their family.
- B. Paying for care can disrupt plans designed to ensure financial stability.
 - Paying for care can require a reallocation of resources, often starting with income.
 - It is likely that even financially successful people live on all or most of their income.
 - Shifting income to pay for care can have a direct impact on your client's ability to keep financial commitments.
- C. The result of the extended care planning conversation is similar to the thought process of people considering the purchase of a life insurance policy.
 - The realization that not having a plan, no funding method for care and the potential irreversible impact on your client, their spouse and family are unacceptable, therefore they need to take action.

STEP 4: Create Personal Awareness for Single/Widowed Prospects



"I understand many people still view long term care as an "end of life" issue. However, have you ever considered what you would do if something happened and you needed care for a period of time and then you recovered, having spent down half or all of your life savings (e.g. stroke, hip fracture, etc.)? Maybe the most important question to consider is what kind of financial lifestyle would you be returning to after you recovered and then you live another 20+ years?"



For single/widowed prospects:

In some cases people who are single/widowed have not had an opportunity to process what their circumstances are and the impact that needing care could have on them. They may not have someone to care for them should they need care. LTC insurance is often considered a vehicle to protect inheritance only, however single/widowed individuals may need to consider protecting their assets for themselves should they recover. Additionally, the comments of non-LTC professionals with respect to LTC may not have been well thought out.



"How has your health been for the past five years? What medications are you taking? What are you being treated for?"
(Refer to the Underwriting Guide)



"Knowing what you now know about your health insurance, Medicare, and Medicaid, do you believe that relying on any of these is your solution to your long term care needs?"



"Assuming the cost of care is \$100,000 a year, if it happened today, how long would your assets last without selling your home?"

Which accounts would you spend down first?"

STEP 5: Summarize Client Objectives and Present the LTCi Solution



"In summarizing the issues we've discussed, you said... (Repeat their stated objectives)..."



"What other issues/objectives do you have?" (Listen)

This is when the client commits to the idea of developing an extended care plan to fund a possible long term care event.



It is now time to provide the LTC solution! (Solution A or B)

Create two quotes based on prospects' issues and objectives. Try to change only one variable in the quotes whenever possible, such as the monthly benefit, benefit period, inflation option or death benefit...

When presenting quotes, be sure to summarize and incorporate your prospects' issues, concerns, and objectives. Explain how the quotes you provided are a solution to solving their issues, concerns, and objectives.



"After reviewing all of your concerns, your objectives and all the information we've discussed, I'm suggesting the following two plan solutions..."



Begin filling out the application.



"Mr. and Mrs.____ now that we've completed the applications, and I have explained the application process, the next step is to review the underwriting process. Underwriting can take an average of 4 to 12 weeks (depending on the product), during which time you may receive a call to arrange a telephone interview or a face-to-face interview as part of the complete underwriting process."

STEP 6: Establish Agent Knowledge of Application Process and Insurability



"In some situations with couples, unfortunately, only one may be insurable. After applying for coverage, if one of you comes back uninsurable can you think of reasons why it may be even more important for the insurable spouse to keep his/her approved policy coverage, even if the spouse's application comes back uninsurable?"



This is the best time to discuss the issue of insurability. Your prospects should understand that one of them may be uninsurable AND you need to help them process this issue prior to leaving the appointment with the applications. Trying to deliver only one approved policy, if you have not previously discussed that possibility beforehand can be a very difficult emotional hurdle for your prospects to make. Helping them to think through this possibility can greatly alleviate their possible emotional reaction should this situation become a reality.

After discussing the issue of one insurable spouse, your clients should realize the potential of the uninsurability of a spouse and might share comments such as:

- The insurable spouse still needs to prevent depleting assets from the uninsurable spouse,
- How can they lessen the impact of care on each spouse,
- How can they lessen the impact of care on the children and family,
- Discussing the need to protect assets and retirement income for both spouses,
- Plus all the other reasons they gave you during the sales interview for getting the coverage.

¹ Transamerica Institute. The Many Faces of Caregivers: A Close-Up Look at Caregiving and Its Impacts. Accessed January 12, 2018.