



Putting It All Together: Making the Sale with LTC3

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Creating The Sales Call Checklist

- 1. Provide agent/planner with tools to analyze effectiveness of call and where ongoing development may be needed**
- 2. Assist agent/planner in timing of where, and when to ask important probing questions, and key agreements**
- 3. Gain greater efficiency and become more systematic in sales process**

Experience: Find Out What Your Prospect Knows

- **Ask:** “Have you had any experience with anyone who needed help getting through the day?”
 - “Who do you know (family or friends) who needed care?” ...
 - “What was that like?” ... (Listen)
 - “When did it happen?” ... (Listen)
 - “Where was the type of care provided?” ... (Listen)
 - “How did things turn out?” ... (Listen)
 - “Who help to take care of ...?” ... (Listen)
 - “What did it do physically and emotionally to that person?” ...
 - “If a child provided the care, what did it do to the sibling relationship?” ... (Listen)

Concerns

- **Ask:** “If something happened today... and you needed help to get through the day, (long-term care) what would your concerns be?”
 - Write down concerns/issues
 - Help develop concerns into clear and defined thoughts.
 - (You will be developing plan around their concerns later)
- **Listening for:**
 - No burden on my spouse/children/family
 - Protect assets for myself should I recover (single or widowed person)
 - Protect assets for my spouse
 - Stay in my own home to receive care
 - Maintain control and personal independence!
 - Assure quality care in location of my choice
 - Protect and provide my inheritance
 - Peace of mind!

Health: Pre-qualification

- “Your health is a key factor, unfortunately, ***many people wait too long*** and health issues happen, making it impossible to help.”

- “How is your health now...”

- “How is your health been for the past 10 yrs...?
(hospitalizations, cancer, medications- treat for, can you go shopping without pain in your legs... (if so poor circulation))?”

(Agent should have current underwriting guide at appointment.)

Awareness: The Impact of LTC on Your Prospect

Explain the “Types of LTC Services Today”

TYPES OF LONG TERM CARE SERVICES TODAY*

Nursing Facility Nursing Home	Adult Foster Home Assisted Living Facility Residential Health Care	Hospice Care	Adult Day Care	Home Health Care
<p>Care received in an Institutional Care Facility due to necessity:</p> <ul style="list-style-type: none"> ▪ Skilled ▪ Intermediate ▪ Custodial 	<p>Apartment like setting:</p> <ul style="list-style-type: none"> ▪ Provides limited personal care Assistance 	<p>Terminally Ill (6 Months)</p> <ul style="list-style-type: none"> ▪ Inpatient or ▪ In-Home Care 	<p>Community Day Care</p> <ul style="list-style-type: none"> ▪ Provides social interaction and security ▪ Relieves home care giver 	<p>Care Received In Home</p> <ul style="list-style-type: none"> ▪ Homemaker Services ▪ Personal Care ▪ Types of Services: <ul style="list-style-type: none"> - Nursing Services - RN - LPN - Health Care Aide - Personal Care Aide ▪ Therapy: <ul style="list-style-type: none"> - Speech - Respiratory - Physical Therapist
<p>Long-term care (LTC) refers to chronic care, encompassing a broad range of supportive medical, personal, and social services required by people who for an extended period of time because of medical, physical, and cognitive conditions caused by an accident, illness, or frailty. LTC involves receiving assistance or supervision of another person(s) to perform activities of daily living (ADLs) when these tasks can no longer be performed independently.</p>				

*U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services, “Types of Long-Term Care,” 2007.

Long-Term Care Insurance is issued by The Prudential Insurance Company of America, 751 Broad Street, Newark, NJ 07102 (800 732-0416). IFS-A130360 Ed. 3/07 The Prudential Insurance Company of America



Awareness: The Impact of LTC on Your Prospect

- **Ask:** Listen, then inform...

“Do you know someone who ever needed care in a NF, ALF, HC, HHC...?”

- Who, What, When, Where, How...
- What was the impact on the care providers???

- **Ask:** “I recognize no one ever expects to need long-term care but (name), do you believe it can happen to you?”

- **Alternate Approach: Discuss...**

- When you don't die... you live,
- When you live you get old,
- When you get older you get sick... (eventually...because you didn't die),
- When you get sick you need care,
- When you need care your family inherits the burden!

Awareness: The Impact of LTC on You & Family

Ask: “So...if it did happen, what would your concerns be?”

- **No burden on my spouse/children/family**
- **Protect assets for myself should I recover** (single or widowed person)
- **Protect assets for my spouse**
- **Stay in my own home to receive care**
- **Maintain control and personal independence!**
- **Assure quality care in the location of my choice**
- **Protect and provide my inheritance**
- **Peace of mind!**

Resources: Find Out What Your Prospect Knows

- **Ask:** “Are you familiar with your Private Health Ins., Medicare, Medicare Supplemental Ins., and Medicaid?”
 - Earlier you agreed it could happen, not that you’re planning on it, so if it did happen “Do you believe in relying on any of these as *your solution* to your LTC needs?”
- **Ask:** “If it happened, at the Cost of an Average Nursing Home Stay of \$74,000* year, how long can you afford to pay for it out of pocket?”
 - “How long would your money last?”
 - “Which accounts would you spend down first?”
 - “What is the money there for, why have you saved it?”
- **Ask:** What would the impact be on your family?

*Source: Prudential Financial 2006 Long-Term Care Cost Study Research Report

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Transfer The Risk

- **Ask:** “Is there any risk, *other* than the risk of LTC that can *involuntarily* take away your retirement assets, independence and create such a burden?”
- **Conclusion:** The risk of long-term care is one of the single greatest uninsured risks, AND your family inherits the burden!
 - **Ask:** “Your family loves you... they will care for you. Have you considered fully what the impact of caring for you will do on them, without a plan in place?”

Transfer The Risk (continued)

- **Ask:** “Does it make sense to use all your retirement assets to pay for LTC...or use a fraction of your assets to pay for LTC insurance?”
- **Ask:** “Why Prudential?
 - ... because it's the contract and carrier that makes the difference.”
 - ...the contract has the most flexibility when you need it most.”
 - (A time when you and your family will be at your most vulnerable point in your life... is when you want options!)
 - ... offers you peace of mind.”

(Now, let's turn features into benefits...)

Features – Options – Prudential



- **Built in Features**

- Cash Alternative Benefit, Emerging Trends, Calendar Day, Restoration of Benefits, Independent Support Services, Private Care Consultant

- **Options**

- Cash, Flex Cash, Shared Care, Shortened Benefit Period, Return Of Premium, Joint Waiver of Premiums, Survivor Waiver of Premiums, Joint & Survivor Waiver of Premiums

Feature-Benefits-Prudential... Examples:

- **Reimbursement policy with Cash benefit option included!:**

Reimbursement policies require qualified services & receipts, this is not necessarily a bad thing however, Cash policies do NOT require qualified services & receipts

- “Would you ever knowingly purchase a policy that was not designed to deal with personal types of LTC services that will eventually be available?”

- **Alternate Plan of Care:** The face of LTC can change quickly. Without a policy that could grow with the times, you could find yourself needing a service that is **not covered** by your policy in 5, 10, 20, or 30 years when you’ll need it most.

- “Would you ever knowingly purchase a policy that was not designed to deal with the new future types of LTC service delivery systems that will eventually be available?”

Transition to Policy Design & Quote

- **Keep it easy, keep it simple!**
 - Confusion leads to indecision
- **Four key pieces** of a LTCi contract... pivot on only **one**
 - Daily benefit
 - Benefit period
 - Elimination period
 - Inflation protection
- **Client selects benefits**
 - Creates ownership of product...built around their concerns, which were discussed earlier

Plan Options #1: Keeping It Simple

Key: Select only one variable to pivot on

Plan A

\$200/day Facility

(150% HC option)

\$300/day Home Care

\$120/day CASH

6 yrs.

GPO

90 EP

Monthly

Plan B

\$300/day Facility

(150% HC option)

\$450/day Home Care

\$180/day CASH

6 yrs.

GPO

90 EP

Monthly

Plan Options #2: Keeping It Simple

Key: Select only one variable to pivot on

Plan A

\$200/day Facility

(150% HC option)

\$300/day Home Care

\$120/day CASH

6 yrs.

GPO

90 EP

Monthly

Plan B

\$200/day Facility

(150% HC option)

\$300/day Home Care

\$120/day CASH

6 yrs.

Simple Inflation

90 EP

Monthly

Keeping It Simple #3 Selling to a business owner

Business Owner C-Corp: Couple

\$300/day, 10-year, 90/180 EP, Monthly, 150 HHC (LTC3SM), Return Of Premium (LTC3)

\$2,190,000 is the initial total “pool of money” created for both.

\$33,224*

Annual - 10 Pay Premium

\$13,290

Estimated C-Corp Deduction (-40%)

\$19,934

Estimated Net out of pocket cost to business

\$199,340

Total 10 pay net out of pocket cost to business

\$332,240

Gross premium paid by business

\$332,240

Amount paid to insured's estate at death,
minus any claims.

*Please note – Premiums are LTC3. LTC3 ESP is not approved in all states.

Clients should discuss the taxation of benefits received under Long Term Care and the refund of premium feature with their tax advisor.

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