



# Simplifying the sell

How to increase disability sales with three key features

BY STEVE BRADY

May 1, 2012 • Reprints

It's fairly common knowledge in the insurance industry that individual disability income insurance can be a tough sell. Individuals can often view it as an unnecessary purchase—there's only the possibility that a disability could happen to them, so why spend the money? The mere potential for a disability often is not enough justification for individuals to take action.

This consumer mentality isn't the only roadblock; the sales and closing process comes with its own challenges. It takes a lot of persistence from a broker to get a full commitment from a customer, and patience is required to see the policy through the underwriting and approval process.

The key to overcoming the above issues and achieving sales success—both in solidifying a partnership with a customer and making the actual sale happen—lies in a broker's approach:

- **Don't sell the policy. Educate.** Customers don't want to be sold to; they want knowledge and education so they can make the right decision for themselves. Part of the educational process is supplying individuals with truths and facts that are relevant to them. In addition, you can provide a real-life example of how a disability has financially impacted someone.
- **Really know the customer, products and carriers.** When selling IDI insurance policies, offering one product as a universal solution isn't going to cut it. Get to know your customer—personally. What are his or her goals, needs, wants? Based on your relationships with carriers and knowledge of their products, take this information and seek the appropriate fit. Always provide a catered solution.
- **Communicate the fundamentals of disability.** There are a variety of disabling injuries and illnesses that can cause different levels of disability and impact the steady flow of income most individuals rely on for everyday living. Not everyone knows what these are, nor do they understand them. It's important to simplify common disability insurance terms so individuals can understand how IDI policies work and how IDI insurance can help them in their time of need. If you can break down the major disability categories—total permanent, total long term, total partial, partial progressive and short term—into easy-to-understand terms, that can go a long way to making IDI insurance real and personal for individuals.

Let's expand on one of the above points—the importance of knowing your customers and available products. In such a competitive marketplace, brokers that invest their time in getting to know their customers on a personal level come out the strongest. When you find out what customers truly need, you can deliver results by having a deep knowledge of the carriers and the products they offer to find the right fit.

Brokers should look for products that include relatable features and robust coverage options. These products are designed to grow with, and deliver on, a range of individuals' needs. Emphasizing these types of policies and benefits during a sales conversation ultimately helps close the deal.

Consider three examples of innovative policy features that have resonated well with customers when purchasing IDI insurance.

### **1) Extended coverage benefit to care for loved ones.**

When a family member or loved one becomes ill, a person can be forced to make a very tough decision: Stay at work and continue earning their full income or take a leave of absence from work to care for their loved one and potentially lose income. In this difficult situation, some may even have to consider taking early retirement, quitting their job or dramatically reducing their working hours. An already emotional and stressful time is now compounded by financial worry.

Time with a loved one is invaluable. IDI policies that offer a compassionate extended coverage option can be a solution to this problem. This feature pays a monthly benefit proportionate to the insured's loss of income if he or she must take time off work to care for a loved one with a serious health condition. It offers peace of mind and reduces financial concern so the individual can focus on providing care for and spending time with his or her loved one during a critical time.

### **2) Partial disability provision that encourages returning to work.**

When a partial disability occurs, individuals are only able to work in a limited capacity, which can adversely impact their paycheck. A partial disability benefit that encourages a return to work can allow an individual to work part-time, rather than having to file for total disability to collect benefits.

Policies that include a partial disability provision can pay benefits for an extended period of time if the disabled insured has a loss of time, duties or income, regardless of the amount of income earned when returning to work. After recovering from the disability, the insured will receive a recovery benefit if he or she continues to have a loss of income due to the sickness or injury that caused the disability.

### **3) Mental health coverage.**

Mental health disorders, such as anxiety, depression and stress, can impact a person's work performance much like a physical issue can. And it's more common than one might think: One in five workers suffers from some level of mental illness, according to the Organization for Economic Cooperation and Development. As a result, organizations are seeing an increase in employee absence. One study from Mental Health America reports depression alone is one of America's most costly illnesses, costing more than \$51 billion in absenteeism from work and lost productivity, as well as \$26 billion in direct treatment costs.

A key IDI policy feature is one that offers coverage for mental disorders or substance abuse without any special limitations. Many policies put limitations or restrictions on this type of coverage, which reduces the value of the benefit to the customer.

A policy with an extended benefit period and no special limitation on coverage for a variety of mental health issues and disorders—instead of the typical two-year limitation—will add extra value for clients. As mental health issues continue to affect individuals, policies with strong mental health coverage provisions are likely to become more common and more in demand.

A simple, yet effective, way to gain reliability and add value during the sales process and thereafter is taking a personal approach to selling disability insurance. Educate and guide customers along the way, simplify the process and always dig for policy solutions that are flexible, customizable and go above and beyond the necessities.

*Steve Brady is the second vice president of individual disability insurance sales and marketing at The Standard. He can be reached at 971-321-8240 or [steve.brady@standard.com](mailto:steve.brady@standard.com).*

Click [here](#) for online version.

For internal use only. Reprints available for purchase.