



Great Customer Service to Prevent Lapses

YOU MADE A SALE! NOW WHAT?

Congratulations on completing the application process with a new client — but only half of the job is done at this point. The next several chapters talk about keeping and growing your client base over time through a combination of delivering great customer service to prevent lapses, cross-selling to maximize your services to each client, generating referrals, and staying motivated to keep pursuing new business while keeping existing clients happy.

As soon as you take an application for Final Expense or Medicare Supplements, you start building the client's expectations about what will happen next. A good agent sets the expectation for the first three months right off the bat. After taking the application, explain that the insurance company's underwriting department will review the application and do a health background check (which may include the PHI if the agent hasn't completed it already). Let the client know how long it will take for underwriters to make a decision — usually anywhere from 3-5 days after all underwriting requirements have been met. Obviously, any missing pieces or additional questions along the way may lengthen the process before clients find out if they're accepted or declined.

Don't forget to leave behind or email any appropriate paperwork at the end of the sale, such as:

- ✓ Possible conditional receipt for life insurance
- ✓ Replacement forms
- ✓ Company brochure
- ✓ Plan benefits guide for Medicare Supplements

Garrett Ball finishes his appointments by telling the client:

"After you have your plan, I am an ongoing resource for you for as long as you have Medicare. You can call or email me any time, and I can answer any questions that you have related to Medicare."

The main thing, though, besides what is said at the time of sale, is quarterly or at least bi-annual "touches."

In addition to this paperwork, leave behind a business card or two. If you can afford to, spring for the ones with the magnetic backing. This card keeps your contact info handy, especially if it's displayed on a refrigerator rather than buried in a drawer (or the trash) among competitor cards. Remember, making your contact info handy and out in the open increases the chances of keeping your clients long term.



Todd R. King prevents lapses with a good button-up after completing the application:

“I take care of lapses right after the sale by letting them know that it’s all about price (with Medigap plans). I let them know that I want to be their agent for the rest of their life and the only way for me to be that agent I need to make sure they are with a company that isn’t charging them too much, and we’ll get them switched if the present company has too much of a rate increase. I let them know that I don’t want them to have to pay one more nickel than they have to, as I’m sure they don’t want to either!”

Before you leave, be sure to thank clients for the opportunity to serve them, and reaffirm that you’re there for them if they have any questions at all.

POLICY DELIVERY

If agents have the option (meaning, if they work locally), they should personally deliver policies, so the lead sees and feels the customer service you deliver right after signing them up. It’s a way for to demonstrate to seniors that they made a good decision taking out the plan with you.

When you deliver the policy, walk the client through the plan, premium, and any other applicable benefits. A Final Expense agent will go through the policy, show the prospect what the premiums look like until age 100 or 121, at which time they don’t have to pay any more premiums because the policy is fully endowed and contains cash value equal to the death benefit when the senior originally obtained the policy. Then go over the amount of the premium, confirming that the rate is guaranteed to stay the same if it’s a Final Expense life insurance plan, if it’s a Medicare Supplement policy affirm the first year’s premium and let them know you will proactively shop their rates in the coming years in addition to keeping them abreast of what’s going on with Medicare.

Also, take the senior through the guaranteed cash value schedule to show the build-up of cash value, reemphasizing that it’s a permanent policy, because term policies that cancel before age 80 (sometimes later) may not be there when seniors need them, at a time when they might not be able to pass underwriting anymore due to possible chronic health conditions.

When Medicare Supplement agents deliver a policy, they explain whether the plan is the same plan that the senior currently has (Plan F), or a different plan like G or N. Either way, it’s important to convey, like you did in the presentation, that their doctors and hospitals will take their supplement. If seniors switch to Plan G from Plan F, you’ll want to cover the Part B deductible requirement and the possible benefits of switching, which include:

1. Lower monthly premiums (across most of the country)



2. Traditionally lower rate increases
3. Possibility of not having to pay the whole deductible if they only go to the doctor once a year for check-ups

If you're switching the senior to Plan N from Plan F or G, in addition to covering the Part B deductible as you would above, you should also mention:

- ✓ Doctor office co-pays
- ✓ Emergency co-pay if admitted
- ✓ Possible excess charges (though rare)

After going over any plan changes, verify the new premium and ask if the client has any questions. After answering any remaining questions, make it a point to tell clients that you'll call them in three months to check on them and see how they are doing with their new plan, because you like to stay close to your clients should they have any questions.

In addition to the three-month call-back, tell the client you'll contact them again on the policy anniversary. If you sold the client a Final Expense policy, the policy anniversary will be a perfect time to assess whether the client needs or wants additional coverage. If you sold the client a Medigap plan, the policy anniversary is when the rate will likely increase. You can mitigate the effects of the first rate increase for Medigap clients by reminding them that:

- ✓ All companies have rate increases; some more than once a year.
- ✓ The best thing they can do is switch to a more affordable company every year or two to keep rates low.
- ✓ They can choose plans that have historically lower rate increases.