

# Voluntary Group Benefits



# VOLUNTARY GROUP BENEFITS

The Voluntary Benefits market is continuing to evolve, and it presents an opportunity for us to expand our business in offering voluntary benefits to employees of businesses, which also creates opportunity for Group Health Insurance, Medicare sales, etc.

There are several key factors that contribute to the growth in the Voluntary Benefits market:

1. Employee benefit costs have skyrocketed. Employers are caught in a squeeze between the increasing costs for employee benefit programs and continuing to meet the needs of their employees. On one hand, employees want more benefits and on the other hand, employee benefits are expenditures that directly impact the bottom line.

Understanding that benefits have a positive impact on loyalty, satisfaction and retention, employers are not likely to stop offering benefits. Benefits drive attraction, retention, and productivity.

Employers' benefit objectives center on employee retention, controlling costs, increasing employee productivity and attracting employees.

2. Employees are constantly asking employers to add new benefits so they (the employees) can feel more financially secure and protected. However, employees want a better understanding of their choices.

61% of surveyed employees are seeking a wider array of benefit choices and are willing to take on more of the cost in order to get the options

37% of total employees wanted more help in understanding how benefits work and how they help meet their needs. This percentage varied by age, but in one age category, it was as high as 54%!

Financial well-being can lead to a productive workforce. Employees who are more financially stressed agree that they are less productive at work and more likely to look to their employer for help with financial concerns.

49% said that they are looking to their employer for more help in achieving financial security through employee benefits.

# VOLUNTARY GROUP BENEFITS (CONT.)

3. Because they are working, employees have limited access to quality agents and products. How many people have you had a hard time meeting with because they were too busy between work and family obligations?

Many employees are almost totally dependent on their employer for their families' financial security.

Offering a broad portfolio of options, including Voluntary Benefits, enables employees to choose benefits that work for them.

Some additional factors leading to growth in the Voluntary Benefits market:

With all the attention placed on healthcare reform, people are becoming more aware of the need to take personal ownership of their financial security.

- Also, as a result of healthcare reform, Brokers have added Voluntary Benefits to their portfolio of product offering

Instead of being as an, "Oh, by the way," if offered at all, voluntary benefits have now moved to the main menu when discussing a comprehensive employee benefit program.

Employers are not required by law to offer benefits such as health insurance coverage, dental plans and pension plans. Therefore, many of the small businesses we contact will not currently be offering any benefits to their employees.

The primary reason is simple: the cost. The good news is they can offer a very attractive benefit package to their employees by offering voluntary benefits at absolutely **NO COST** to the company. The concepts and approaches outlined in this book are applicable whether or not an employer is offering benefits.

It is our job to modify the approach to offering Voluntary Benefits to these employers, so they understand the value to both their employees and the company.

# MARKETING EMPLOYEE BENEFITS

There are four separate sales that you will need to make with a new group:

1. Obtain the account (employer group)
2. Establish enrollment conditions
3. Enroll employees
4. Service & Administration

Following the enrollment, you must become competent in all four sales to be successful long-term.

This manual is focused primarily on sale #1: Obtain the Account, including the activities of Prospecting, Making Contact, and presenting to Group Decision-Makers. We'll also spend time on sale #2: Establishing Enrollment Conditions when discussing making the group presentation and closing.



# ENROLLMENT METHODS

Having a positive relationship with employers and decision-makers is important to your success. Having great products is important. However, if you don't have an effective enrollment process, you will not achieve the level of success you want.

An effective enrollment process falls into two categories: Actions and Technology. We are able to utilize several platforms for technology. Cignas ExpressApp is our easy to use enrollment platform. Cignas ExpressQuote is another tool you can use to quote various product configuration options for a customer proposal. The technology enables an efficient and comprehensive enrollment process. You can access more information about these enrollment platforms at [www.agentviewcigna.com](http://www.agentviewcigna.com)

Put it all together and you will perform at a very high level. If you leave something out, we can't predict what will happen. Don't leave anything to chance. Commit to the activity and learn to use ExpressApp and ExpressQuote effectively.

Employees at the worksite receive product information and enroll using one or more of the following Three Enrollment Methods:

1. Face-to-face presentation. Typically, one at a time. Be prepared to present to 2-3 at a time.
2. Group presentations, safety meetings, in-service meetings, etc.
3. A combination of both: group presentations followed by individual meetings.

When marketing Voluntary Benefits, success to the employer is when each employee had the opportunity to hear about and understand the benefits being offered.

The number of employees who buy coverage is not the measure of a successful enrollment to the employer! Those who need coverage will buy, those who don't won't. Our job is to communicate and educate each employee on their benefits and to market supplemental voluntary insurance products. These are completely complementary objectives.

# PREMIUM PAYMENT METHODS

Employees at a worksite can pay their premiums in a couple of ways depending on what works best for the employer group:

- Employee Non-Payroll
- Payroll Deduction

Employee Non-Payroll (ENP) is the preferred method when enrolling businesses with under 20 employees. The Employer does not have the hassle of setting up and maintaining payroll deductions and the Employee has the convenience to pay premiums through automatic bank draft, also called an Electronic Funds Transfer (EFT).

Most employees are familiar with this method of payment as it is how they pay their auto insurance as well as their phone/internet/utilities. A benefit of this kind of payment is that when an employee leaves the company, they don't have to change their payment method and the policy is portable.

## APPROACHING THE DECISION-MAKER

Many insurance agents approach Decision-Makers with feature/benefit style presentations of their insurance products. Here's the fault in that: most supplemental products are extremely similar. The reality is business owners and decision-makers typically perceive supplemental insurance products as essentially the same, regardless of the insurance carrier.

The business owner or Decision-Maker doesn't really care about the product. What they do care about is that the policy works the way it is supposed to (less complaints) and that employees have a positive perception of their benefit package. Employee benefits are a means to an end. It is often difficult to tie any bottom-line financial metrics to benefits.

Consider this: If an operations manager asks the business owner for an extra \$50,000 in the annual budget to purchase a piece of equipment designed to increase output, the owner can calculate the return on investment and make an educated decision.

However, if the benefits manager (or the owner) is considering spending \$50,000 on employee benefits to improve employee perception of the benefits package, how does that compute a return on investment?

This is the dilemma for business owners and Decision-Makers.

# MAKING CONTACT WITH DECISION-MAKER

The objective of Making Contact is to schedule an appointment to make an Employer Presentation to the Decision-Maker(s). If you can't set an appointment for an Employer Presentation, the next best thing is to confirm information about the Decision-Maker (name, best time to catch them, etc.) and plan when to make the next contact.

## TIPS FOR INITIAL CONTACT

- By introducing yourself as you are in the area servicing your existing businesses, you have a reason for stopping by, which is to introduce yourself to the Decision-Maker and set an appointment.
- When engaging a Gatekeeper, keep the conversation centered on setting the appointment with the Decision-Maker. Do not talk to the Gatekeeper about a product or service.
- Always end with a question to set a time for an appointment. This keeps you in control.
  - "Is she available for a quick introduction?"
  - "Does Mr. Smith keep his own calendar or is there someone else I need to check with?"
  - "I can stop by again in the afternoon around 4:30, is she in at that time?"
- Don't bring marketing information into the business with you. Only bring a calendar or date book for scheduling the appointment.
  - If you bring sales materials in, you are communicating that you are there to sell something!
  - Not having materials also prevents the Gatekeeper from asking you to "just leave the materials and I'll make sure s/he gets them" as an excuse to send you away.
  - Materials will not make it to the Decision-Maker, they will just be tossed in the trash.
  - Brochures will not create interest or make a presentation for you!
- Acknowledge that everyone is busy! You must minimize the time obligation you are asking of the Decision-Maker. No one wants to think a salesperson is going to take up their valuable time. Let them know it only takes a few minutes on the clock.
- Use Inference: I didn't see your company on my list of customers in the area.
- Do not sell outside a formal presentation. Remember, without a presentation, you cannot give them enough information to say yes, only enough information to say no.
- When speaking with a Decision-Maker to set the appointment, you will need to be prepared with a good reason for them to set aside time to meet with you.

# A GATEKEEPER

A Gatekeeper is anyone who can block, or enable, access to a Decision-Maker. It is part of their job to reject everyone. In the mind of a Gatekeeper, there isn't a good reason for opening the gate to the Decision-Maker.

Remember the tips for initial contact. When engaging a Gatekeeper, keep the conversation centered on setting the appointment with the Decision-Maker. Do not talk to the Gatekeeper about product or service. If you engage with the Gatekeeper about products or service, you will struggle to set appointments.

## **Getting Past the Gatekeeper:**

Remember, the objective is to schedule an appointment to make an Employer Presentation to the Decision-Maker. In many cases, you will have to get past a Gatekeeper first. This is the suggested approach for managing and getting beyond the Gatekeeper's resistance.





# FOCUS ON EXECUTION

When entering a business, always be professional, courteous, and focused on your objective of meeting the Decision-Maker to set an appointment for a presentation. You may be able to break the ice with a Gatekeeper by commenting about trophies, plaques, or other items in the lobby area. Keep the conversation friendly and very brief.

Utilize the verbiage below for the initial contact:

Agent: **Hi, my name is \_\_\_\_\_ and I'm here to schedule an appointment with Mr. Smith (or the Owner/Manager). Is he available?**

Gatekeeper: Is he expecting you? (OR May I tell him what it is regarding?)

Agent: **No, he isn't expecting me. I just stopped in as a courtesy of introducing myself to him. I was in the area servicing some of the businesses in the area. Is he available for a quick introduction?**

Gatekeeper: Give me information about your company and I'll see if Mr. Smith wishes to schedule an appointment with you. (OR Leave a business card and I'll get it to him.)

Agent: **Oh I didn't bring any information in with me today. I was working at XYZ down the street today and only stopped by to introduce myself and set an appointment with Mr. Smith. It only takes about 2 minutes to do that. If he is available, I can introduce myself now, or we can schedule an appointment at his convenience and do it later. Does Mr. Smith keep his own calendar or is there someone else I need to check with regarding this appointment?**

Gatekeeper: Mr. Smith sets his own appointments. Let me check with him. (OR His assistant keeps his appointments. I will see if she is available.)

Agent: **Thanks for your help. I appreciate it!**

# FOCUS ON EXECUTION (CONT.)

Keep your Gatekeeper conversation focused on setting an appointment!

After getting past the Gatekeeper, you will have the opportunity to introduce yourself to the Decision-Maker and ask for an appointment for presentation. Remember, the objective of Making Contact is to schedule an appointment to make an Employer Presentation to the Decision-Maker.

Once you have the opportunity to meet the Decision-Maker, you only have a few seconds to gain their attention and/or interest.

The verbiage below is used for the initial contact with the Decision-Maker:

Agent: **Mr. Smith, thank you for seeing me. My name is \_\_\_\_\_. I was just down the road at XYZ business. The purpose of my visit today is to stop by and extend the courtesy of introducing myself and to schedule an appointment with you at your convenience.**

Decision Maker: What is this about? / What are you selling?

Agent: **As I said, I am with (Agency Name) and we have been offering Voluntary Benefits to members of your community for over \_\_\_\_\_ years and now we can offer the same benefits to employees of small businesses at lower group rates. The benefits are offered in addition to any other benefits you are currently offering, and most importantly, they are offered at absolutely no cost to you or your company. It only takes 15 minutes for me to give you an overview of the program, do you have time this afternoon after 3 or would tomorrow morning before 10 am be a better time?**

Close by asking for the appointment, giving two options of available times.

# FOCUS ON EXECUTION (CONT.)

Decision-Maker: Can you give me more details? (OR What's it about?)

Agent: **It only takes about 15 minutes to fully explain, but briefly, we specialize in the communication and administration of employee benefits and we help companies, just like yours, deal with the frustration of offering a competitive benefits plan while watching the bottom line.**

**Let me explain... We understand that on one hand, you want to offer a competitive benefits package and on the other hand, benefit costs are going through the roof. It looks like these are competing interests and companies are getting caught in the middle.**

**A Voluntary Benefit program, implemented properly, is an extremely effective way to address these concerns. The reason so many companies work with us is because we show them how to use Voluntary Benefits so that the needs of the employees, and the business, are both met.**

**What's most important is that there is no direct cost to your company. In fact, many companies we work with have employees thanking them for offering a benefit that the employees are actually paying for. It only takes about 15 minutes to explain how we can do that for you. Are you available at \_\_\_\_\_ or would \_\_\_\_\_ be better for you?**

Decision-Maker: Is this insurance?

Agent: Yes it is, but not as you know it. What we have to offer is very different from traditional health insurance in that our policies pay the benefits directly to the insured in cash to spend anyway they want to, need to, or have to. And again, it does not cost the company anything and it only takes about 15 minutes to explain in more detail. Do you have time this afternoon after 3:00 or would tomorrow morning work better?

**Once you have set the appointment for an employer presentation, transition in the "Employer Presentation"**

*(This will include the use of the Employer Presentation Booklet provided by Ancillary Ambassadors)*

# INITIAL APPOINTMENT WITH DECISION-MAKER

Your initial appointment with an employer Decision-Maker has three goals. The first is to uncover potential needs. The second is to create interest. And the third is to close for the next steps.

*Use the verbiage below to start the “Employer Presentation”*

Agent: **Mr. Employer, I appreciate the time today. Here is my card. Like we discussed when we first met, I represent (Agency Name). We offer a variety of solutions to help you not only take care of your employees’ needs, but also the needs of your company. Before we get started, may I ask you some questions about what you’re currently offering your employees?**

(Ask lots of questions and let them do all the talking! They’ll typically tell you all their pain points and help you identify any opportunities to enhance your approach/presentation)

Agent: **Thank you for that information, that helps a lot! Now, to get started let me give you a little background on who we are, and what we have to offer.**

Agent: **(Agency Name) is a national marketing company that specializes in the communication and administration of employee benefits. We are not only nationwide but we work locally, with [State/City/County/Business 1, State/City/County/Business 2 and State/City/County/Business**

**In the past, we were only able to make our benefits available to larger organizations, but today we can offer them to smaller companies as well, and we have many companies like yours in this area currently participating with us.**

# PART 2: ESTABLISHING THE NEED

We understand how important it is for companies to offer a competitive benefit program to their employees.

Statistics (point to stat source) tell us that benefits really do matter:

- 44% of employees said lack of benefits was the main reason they left their employer
- 57% of employees say benefits offered are an important consideration when taking a job
- Offering a competitive benefits package and retaining employees are among the top concerns of employers being more effective in hiring and retaining the right employee is certainly important, wouldn't you agree?

Of course, if you gave employees all the benefits they wanted the company would suffer financially. That can put your company in a tough place, which is why many companies are offering Voluntary Benefits to their employees at absolutely no cost to the company.

(If the company does not offer any benefits continue with) Even if your company does not offer any benefits today, you can make our Voluntary Benefits available to your employees at group rates that gives them access to benefits at a substantial savings.

Now as we all know, healthcare costs are rising.

Consider these facts:

Hospitalizations:

- The average hospital stay in the US costs over \$10,000.
- Hospital bills are the largest out of pocket expense for people filing for medical bankruptcy.
- The average deductible for a family with employer sponsored health insurance is nearly \$3,000.

# PART 2: ESTABLISHING THE NEED (CONT.)

## Accidents:

- Each year, 450,000 agriculture and construction workers are injured on the job.
- Each year, 4.3 million Americans are injured in motor vehicle accident.

Cancer: It seems like you can't turn on the TV or pick up a newspaper without hearing about cancer.

- 1 in 3 Americans are expected to be diagnosed with cancer in their lifetime.
- More than 1.7 million will be diagnosed just this year.

And most importantly, major medical insurance is just not enough! No matter what type of major medical an employee might have, there are still expenses related to a critical illness or accident that just aren't covered.

Uncovered expenses can include things like:

- Insurance shortfalls
  - Co-pays
  - Deductibles
- Special expenses
  - Transportation expenses
  - Hotels
- Living Expenses
  - Mortgage
  - Utilities
- Loss of income and other unexpected expenses

We believe that helping offset these expenses allows your employee to maintain their standard of living while focusing on recovery, and that's important, wouldn't you agree?

# OFFER THE PRODUCTS:

(Recite the verbiage)

This is the portfolio of products. All these policies are offered a la carte, so you can pick and choose what to offer your employees, and they can pick and choose what best fits their needs. And please remember, all of these policies pay the benefits directly to the employees, so they can use the money to pay medical expenses, or to cover any of the gaps not covered by the medical insurance that they may have.

(Touch briefly on each of the policies displayed on the page. If you need to elaborate on one of the policies be prepared to pull out a product brochure to offer up further explanation).

The benefits that we offer are great, but what makes them different from traditional insurance policies is what happens if you do not have to use them. If you never use the policy, it returns all of the premiums paid into it, minus any claims after a set period of time defined in the policy. Plus, the coverage stays in force and you can get a return of premium more than once. This is our Return of Premium Benefit!!

## **CLOSE THE GROUP ENROLLMENT AND SET AN ENROLLMENT DATE**

So, as you can see Mr./Mrs.\_\_\_\_\_, our goal is simple, to offer employees benefits they want and need without affecting the company's bottom line.

Wouldn't it be great to offer your employees a benefit that they are paying for and have them thank you for making it available? That's exactly what can happen with this process.

What I would like to do is ask you a few questions so we can get your company set up in our system and then choose a date for me to come back to enroll your employees.

(Looking at your schedule)

Would \_\_\_\_\_ work for you or would \_\_\_\_\_ be better?

***At this point, schedule an appointment to come back and present the employees the products!***