



March 8, 2011

Tapping into a New Distribution Channel: *Health & Benefits Brokers*

THE ELEVENTH ANNUAL INTERCOMPANY LONG TERM CARE INSURANCE CONFERENCE

ILTCl



Discussion Highlights

- **Panelist introductions**
- **Recent activity in the Group & Multi-life marketplace**
- **Worksite benefits marketplace update**
- **A benefits firm's view of healthcare reform**
- **Relationship-building techniques (best practices)**
- **Challenges in working with benefits brokers**
- **Marketing to benefits brokers**
- **The CLASS Act**
- **Q&A**



Guest Speakers

Moderator:

Steve Cain (EVP | National Sales Leader, LTCI Partners, LLC)

Panelists:

- **Christopher P. Covill - Partner | National Practice Leader (Mercer Integrated Benefits)**
- **Jerry Manning – Principal (J. Manning & Associates)**
- **Mike Skeins – President (MasterCare Solutions, Inc.)**



Marketplace Update

Recent Activity:

- Carrier suspension of new sales
- In-force rate increases
- Underwriting guidelines changing (concessions)
- The CLASS Act
- Group Life products beginning to include LTC riders
- Others?



Premium Growth Rates

Product	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010	YTD 2010
Individual Life Total	-5%	+10%	+7%	-2%	+2%	+4%
UL	-5%	+15%	+11%	+1%	+13%	+10%
VUL	-36%	+11%	+2%	-6%	-25%	-7%
Term	+1%	-3%	-10%	-16%	-16%	-12%
WL	+12%	+16%	+23%	+7%	+14%	+15%
Annuities Total	-21%	-24%	-7%	+1%	+6%	-7%
Variable	-2%	+4%	+10%	+8%	+17%	+10%
Fixed	-39%	-48%	-26%	-10%	-9%	-27%
Indexed	-3%	-3%	0%	+16%	+17%	+7%
Group Life	-4%	+1%	-6%	-7%	N/A	-1%*
Group DI	-1%	-17%	-27%	0	N/A	-15%*
Individual LTC	-4%	+12%	+14%	+12%	+13%	+13%
Individual DI	-6%	-7%	-3%	-2%	-4%	-4%

The numbers reflect the % growth as compared to the same quarter of the previous year unless noted otherwise.

* Reflects third quarter YTD 2010 sales results

Source: LIMRA



The Benefits Broker's Perspective

Chris Covill - Partner | National Practice Leader (Mercer Integrated Benefits)

- What's your view on the PPACA (healthcare reform)?
- How is your firm addressing all requirements and client needs?
- What are your clients going through right now?
- Your firm's challenges or concerns?
- Commission reductions...are you seeing or hearing anything from your carrier partners?
- Can you share some of your firm's experiences (positioning, successes or failures) with Group LTC Insurance?
- Where does LTC Insurance fit (executive / voluntary / combination of both) in to a benefits offering?
- Is "sales" a bad word in the consultant world?
- Commission vs. Fees
- Have clients been asking your consultants about The CLASS Act?
- What are your thoughts on The CLASS Act?
- What does the ideal strategic partner look like (services, support, compensation sharing, etc.)?
- What do you consider a "successful" LTC enrollment? Is it participation, client satisfaction, revenue, etc.?
- Suggestions ("do's and don'ts ") for Group LTC specialists or GAs attempting to partner with benefits firms?



The Group LTC Specialist's Perspective

Jerry Manning – Principal (J. Manning & Associates)

- What's your strategy (35,000 foot view)?
- Focus – large or small group brokers...and why?
- How is your firm marketing to benefits brokers initially...and on an ongoing basis?
- Are benefits brokers receptive to this conversation right now?
- Can you describe your sales process (securing a strategic partnership)?
- How are you using (or not using) The CLASS Act in your conversations and client presentations?
- Your challenges or concerns?
- Can you share some of your firm's recent successes or failures (cases or partnerships)?
- Are there any "Do's and Don'ts" with benefits brokers?
- Are "executive benefit" still bad words in the marketplace or are you seeing funding emerge again?
- Commission vs. Fees – how do you handle compensation if the consultant is fee-only with the client?
- Have clients been asking your strategic partners about The CLASS Act?
- What does the ideal strategic partner look like (client focus, book of business, compensation sharing, etc.)?
- Suggestions for Group LTC specialists attempting to partner with benefits firms / brokers?



The LTC GA's Perspective

Mike Skeins – President (MasterCare Solutions, Inc.)

- What's your firm's strategy for partnering with benefits brokers?
- Focus – large, mid-market or small group brokers...and why?
- How is your firm marketing to benefits brokers initially...and on an ongoing basis?
- Are insurance agents receptive to the LTC conversation right now?
- Can you describe your sales support process (sample case...from A-Z)?
- How are you using (or not using) The CLASS Act in your conversations and client presentations?
- Your challenges or concerns?
- What can the carriers do to help you in this segment of your business?
- Can you share some of your firm's recent successes or failures (cases or partnerships)?
- Are there any "Do's and Don'ts" with benefits brokers?
- Commission vs. Fees – how do you handle compensation if the consultant is fee-only with the client?
- Have clients been asking your strategic partners about The CLASS Act?
- What does the ideal strategic partner look like (client focus, book of business, compensation sharing, etc.)?
- Suggestions for Group LTC specialists attempting to partner with benefits firms / brokers?



Questions?

Thank You for your Participation!