



Eight Ways to Sell Medicare Insurance in the 21st Century

By Samuel Halpern, Director of Internet Marketing at Senior Market Sales, Inc.

It's the image most of us have when we think of selling insurance: agent and client sitting at the kitchen table, discussing plans and premiums, and sealing the deal by putting pen to paper.

Many of the most successful producers in the senior market have been selling this way their entire careers and some may never change their methods. Why fix it if it ain't broke, right? Well, agents in the Medicare insurance market know that today's seniors are often uncomfortable inviting strangers into their homes, which means fewer prospects who are willing to open their doors. Also, most agents today cannot survive as the neighborhood insurance agent, so they need to expand their territory in order to make ends meet.

Furthermore, independent agents today are spread thinner than ever before. In the last 25 years, the number of agents in the field has dwindled from 750,000 to 300,000 today. Compounding the issue, the 65 and over population is expected to double by 2030, increasing from some 36 million to 72 million people. So, fewer agents will have to figure out how to serve more people.

As is often the case these days, the answer to these challenges can be found in technology, which has opened up a world of options for selling in today's Medicare market. While the road to a sale used to be a one-way street leading straight to the client's house, there are now eight ways to sell Medicare insurance. From the tried-and-true practice of building relationships with in-person meetings to web-based enrollment tools that save time and erase geographic limitations, the 21st-Century agent has a host of techniques at his or her disposal.

1) Face-to-Face with a Paper Application



Selling at the kitchen table is still the best way to develop a personal connection with your client. However, let's be honest, some people just do not want you inside their homes. They could be shy or embarrassed by their home, or maybe they are afraid of high-pressure sales tactics. Also, there are people who would buy insurance from you, but they may live too far away for you to visit them.

Sales Tip: In-person Medicare Supplement sales are an excellent opportunity to cross-sell a life, annuity or LTC policy. However, the new CMS guidelines that went into effect this September prohibit cross-selling of non-healthcare-related products during Medicare Advantage appointments.

2) Paper Application via Mail



After selling face-to-face, the most popular method of selling a Medicare insurance policy today is by mail. In most cases, the quoting, qualifying and sales consultation are handled during an initial phone call, after which an application packet is sent to the prospect for signature and premium collection.

Sales Tip: Pre-populating the application with as much of the client's personal information as possible increases the likelihood that the applicant will complete it.

3) Application via e-mail with Ink Signature



If the carrier or Field Marketing Organization (FMO) you contract with offers access to online quotes, forms and applications, e-mailing a fully or partially completed Medicare insurance application to a client is another option. The client must print out the application, sign it, and then return it to the agent by fax, mail or e-mail. This speeds up the sales process, and, by delivering a pre-filled application with easy-to-read type along with all the required disclosures and sales materials in a secure online package, your credibility as a professional is strongly reinforced.

Sales Tip: Increase the likelihood of a sale by walking the client through the application over the phone after you've e-mailed it to them.

4) Online Application with Electronic Signature



Utilizing the insurance carrier's agent portal Web site, you can enter the client's application information using an online form. The applicant then receives an e-mail notification from the insurance carrier that the electronic application is ready for his or her electronic signature. This process varies somewhat depending on the carrier, but generally the client logs into the insurance carrier's Web site to review the application for accuracy, then electronically signs the application by typing their full name, the current date, the last four numbers of their social security number and/or their birth date.

Sales Tip: This process works well for fully underwritten products as well as simplified underwriting and/or guaranteed acceptance products. The key is the applicant's comfort level with e-mail and online transactions.

5) Telephonic Application via Digital Voice Signature



This may be the easiest method for seniors, since virtually everyone knows how to use the phone, and there is no need to mail, fax, scan or e-mail any documents. And the applicant doesn't have to sign anything. Rather, the digitally recorded phone call itself constitutes a legally binding digital signature when obtained correctly.

Keep in mind, there are a number of regulatory requirements regarding the information provided over the phone. For Medicare Advantage and Part D policies, a CMS-approved script must be followed for the call. Also, the client may need to call the agent directly to satisfy regulatory and/or technical requirements. The agent usually enters the applicant's information online via the insurance carrier's agent enrollment web portal. The agent must obtain the client's consent to record the phone call, and the recorded conversations—which constitute the signatures of the applicant as well as the agent—must be stored securely in a digital format for at least 10 years.

Note: Most insurance carriers will approve only select agents and agencies to employ this method because it requires a higher level of technology than the average agent possesses. Some carriers require the agent to electronically transmit the recordings to them in daily batches via FTP. Others do not require daily transmittals but must have access to the recordings on-demand for audit and quality assurance purposes.

Sales Tip: For agents capable of employing this method, it is the most efficient way to enroll large numbers of applicants dispersed across diverse geographic regions over a short period of time, for example during the Annual Coordinated Election Period (AEP) for Medicare Advantage and Part D from Nov. 15 to Dec. 31.

6) Telephonic Application via Call-Center



For many agents this is the best of all possible worlds, as the paperwork is virtually eliminated, and it doesn't require access to any special technology. It is similar to No. 5, except in this case it is the insurance carrier's call center that bears the responsibility for following the mandated call script, recording the call, storing the calls and transmitting the files to the carrier. The agent simply has to set up a three-way call between the applicant, the agent and the insurance carrier's call center.

Sales Tip: Be wary of call center limitations, as you will only be able to enroll clients during the days and hours that the call center is operational. So late evening telephonic enrollments may not be possible, especially for agents in Pacific time zones. Also, at peak times—such as the days leading up to Thanksgiving, Christmas, and New Year's—call center volumes can lead to hold periods that preclude successful selling.

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7) Telephonic Application via Digital Voice Signature Obtained by Third Party Call Center



For many agents this is the best of all possible worlds. This method is very similar to methods 5 and 6, with the agent logging into a carrier's or FMO's web-based enrollment system to enter the application details online. However, instead of the agent recording the call to obtain the applicant's digital voice signature or setting up a three-way call with the carrier, a third party call center contacts the applicant within one business day to confirm basic enrollment data and record the digital voice signature. This takes the responsibility of obtaining, storing and transmitting digital voice recordings off the agent.

Sales Tip: The convenience of this method for agents exceeds No. 5 and No. 6 because it requires less mastery of technology and outsources the critical function of call recording to the insurer or TPA.

8) Application via Digital Tablet



This method requires the agent and the applicant to be in the same room. After the sales presentation, the agent enters the application information into a specially programmed device, similar to a laptop computer, often called a tablet. This tablet enables the applicant to sign their name digitally using a stylus that creates and stores an image of the applicant's signature, similar to the devices used to sign for credit card purchases at the supermarket. The agent then uploads the digitally stored application and applicant's signature to the insurance carrier's data base, or the data can be automatically uploaded programmatically via the Internet.

Sales Tip: This process reduces errors, and expedites application processing.

Every day more and more agents are leveraging technology to help them save time, connect with new clients and write new business. If you're not using any of these methods and want to start, call your carrier or FMO for instructions. A good FMO can get you access to online quotes and online application materials, and some even offer special training programs on telephonic and e-signature sales processes.

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