

Covering Your Bases with the Three Best Products

Critical illness adds extra value to health insurance

By [J.R. Jordan](#)

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Depending on how long you have been in the insurance market, your concept of a high-level health insurance contract varies. Believe it or not, there was a time when a 42 percent health contract was very attainable and also very profitable.

Over the years, the contracts slid further and further down but agents were still able to make a great living selling just health insurance. The path of least resistance is normally the path most traveled and when agents could make an enormous income not offering ancillary options, why would they? You need to understand that after the health sale was complete, a lot of agents did not want to run the risk of losing that sale by offering additional products.

The math is pretty easy. If you were selling four or five health applications a week at a 30 percent contract and receiving a six- to nine-month advance, you were doing very well! In case you haven't heard, those times are long gone. Health care reform has crushed the health insurance contract and, like most things in our economy, there doesn't seem to be a bottom in site.

Whether your contract will be a single digit on health insurance sales or simply a fee for service is yet to be determined. Just selling that health insurance application will no longer fill up your gas tank, let alone feed your family or allow you to maintain your lifestyle.

Critical illness insurance is such a blessing for both the health insurance agent and the client. The product has been around for over 20 years but agents are now finally realizing that it not only protects the insured's quality of life but the agent's ability to earn an income. Three products must be presented and sold on every appointment, and by doing that you will give your clients more coverage than they have ever had before. And you will be making more money than you did prior to health care reform. Those are critical illness insurance, an accident plan and a high deductible major medical. Done the right way it will do three wonderful things:

Save your clients money.

Provide more protection than they have ever had before.

Provide you and your family with an amazing income.

If you are familiar with the articles that I have written with

I have been in the ancillary market for close to 15 years and I am proud to say that I have worked with thousands of successful health insurance salespeople that immediately saw the value of the CI, accident and health approach. From 2008 to 2010 I was lucky enough to teach almost 8,000 people about the power of selling insurance this way.

I would like to leave you with a cautionary tale. Beware of the "check box" applications that the health insurance companies are offering. They allow you to write an insurance application and then add on critical illness and accident with simple check marks. This is great in theory, but horrendous in reality. What if ...

Your client gets denied the health and now they do not want the CI and accident because they are upset that specific company didn't issue them health insurance.

You are being paid a health comp or slightly higher on the CI and accident. Who likes less than 1/2 pay?

The client cancels the health and then the CI and accident automatically cancel, which leaves them vulnerable and kills your commission/renewal stream.

Sell your client health, critical illness and accident insurance, each on its own merit. Explain to them that if they get denied, rated up or ridered for the health, you will meet with them to resolve the issue, but that the CI and accident are some of the most important coverage they have. Please do not be taken advantage of by the "check box" system. If they have all three through separate companies, they are diversified; if one falls out, you can fix that and complete the puzzle.

If the path of least resistance is the path of less income, then you can see that what you have just read shows you a more professional and profitable approach.

ASJ in the past, you know that these products must be sold on their own merit, using separate companies for each product and presented in a way that shows how they all work together!