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It is important for every Agent to sell a balanced mix of UA's product portfolio. Renewals are the name of the game in the insurance business. On average, Medicare Supplement plans persist almost twice as long as other primary products that UA sells. The ideal mix of business identified for Agents as a superior, diversified block of business which takes advantage of the huge opportunities in UA's primary markets is 40% Medicare Supplement, 40% Underage Health and 20% Life. This mix will not only allow you to serve every market effectively, it will allow you to build a larger renewal account through better persistency.

The ultimate goal of all Managers and Agents should be developing a persistent book of Medicare Supplement business through selecting proper demographic targets and thereby closing as many quality sales as possible. When you order Senior leads, keep in mind several important points to achieve your goal of improved closing rates, with the added benefit of reduced mailing costs. Maximizing success depends upon the criteria chosen when you use mailing list services, suggestions of which are detailed below.

**Women Outlive Men Statistically.** You can order females only. This approach will save you money because you won't be paying for both names in the household. According to the *Pharmacists Planning Service, Inc.*, a non-profit organization which promotes consumer public health education and pharmaceutical information, women in America live on average seven years longer than men. Since women outlive men, you will likely gain access to the male in the household by ordering just the female name.

**Survivor's Changing Circumstances.** Adding a trigger-based selection such as "female (or male) head-of-household only" will often allow you to contact individuals whose insurance needs may have changed due to the death or divorce of a spouse who was the primary breadwinner. These leads will become increasingly profitable in the coming years as more and more employer-based retiree health plans change. According to a recent study by the *Employee Benefits Research Institute*, the number of employers with more than 200 employees offering retiree health benefits has declined by almost 50 percent since 1988. In addition, the study also indicates that actual healthcare costs are five times higher than what retirees anticipate. A 2003 study by *The Kaiser Family Foundation and Hewitt Associates* found that 10 percent of employers have totally eliminated health coverage for future retirees, and an additional 20 percent indicated they would in the next three years. Seventy-one percent of those who retained retiree benefits increased the cost to the employee/retiree, and 86 percent plan to within the next few years. The market for retiree benefits will continue to grow as long as employers continue to implement cost-saving measures.

**Higher Income Lead Parameters.** Back in 1985 when I was a new Branch Manager, the average minimum household income I considered for mailing was \$15,000. Unfortunately, since then many Agents have not changed their lead mailing parameters on

## Improve Lead Responses and Quality for Better Closing Rates, Better Persistency and Higher Renewals!

income, and still only mail \$15,000 incomes. Well, times have drastically changed in the last 19 years, as have Senior incomes, healthcare costs, and Medicaid income qualifications. If you want to eliminate those affected households where Medicaid qualifications have risen through the years, you have to raise mailing parameters on income. Consider mailing households with incomes above \$30,000, \$35,000 or \$40,000, depending on relative state income averages.

**Generating Higher Lead Response Rates.** Using a higher income Senior list unfortunately reduces the available number of Seniors to mail; so increasing the lead response rate to compensate is important. A higher lead response rate will give you more qualified higher-income prospects to sell, increasing your closing rates on a per lead basis. How can you do that?

To generate higher response rates, you may offer a value-added service to your lead prospects – an example is to design a lead offer which provides an opportunity for a free publication, such as those available on Medicare's new prescription drug discount program. These may be found on the official government website ([www.medicare.gov](http://www.medicare.gov)): the "Medicare-Approved Drug Discount Card Tip Sheet" is only two pages and "Guide to Choosing a Medicare-Approved Drug Discount Card" is 36 pages. There is considerable confusion surrounding Seniors' understanding of Medicare's new drug discount program and offering these brochures to assist them can increase your lead response rates significantly. Some customers may be interested in seeing whether they are eligible for the \$600 Medicare drug subsidy; you can assist them in completing the personal information portion on page 2 of the Tip Sheet to determine this. If they want quotes on Medicare-approved prescription drug cards, you may show them how to do so using the 36 page guide; once completed, I would suggest a comparison to UA Partners® to explain its many features. When the Senior compares the price of a Medicare-approved drug card with its limited savings against the price of UA Partners with its extensive discounts and other services, the right choice should be obvious. Once the valuable features of the UA Partners program are apparent, customers may also be anxious to hear your value-based presentation on our full line of Medicare Supplements. Customers will receive added value from your assistance and Agents can spend less money on mailings, while increasing the sales potential on each lead. **Remember, any type of marketing materials you create to mail to leads must first be submitted to the Home Office for approval.**

Generating greater numbers of more qualified leads, based on value, coupled with approved marketing materials can create better closing rates and more persistent sales for everyone. Targeted marketing makes Med-Supp marketing more effective, fun and profitable. All it takes is for you to think things through on every aspect of your lead program and then follow through. Better closing, great persistency and higher renewals will be the results!