

The Advisor's Edge

Sales Strategies You Can Use



5 Reasons Why Advisors Need to be Talking About DI

Derek Wakefield, Internal Sales | LTC & DI

One of the most important conversations advisors can have with their clients is about individual disability income insurance. It helps protect their income, or their business, if they become too sick or injured to work.

1. Savings, retirement planning, personal investments, and business ownership can all be at risk if income stops.

Monthly expenses and bills go unpaid if a client cannot work. Clients need their most valuable accomplishment (their income) protected first.

2. The market opportunity is huge:

Almost everyone who works needs income protection. That makes almost any employed person a likely candidate for disability insurance, particularly those who:

- Are age 30-55
- Earn at least \$40,000 per year
- Work at least 20 hours per week
- Work in occupations with limited manual duties

3. Clients that already have coverage may not have enough:

Since candidates for DI are employed, some may have group DI through work. However, group plans generally cover only about 60% of income before taxes. By supplementing this coverage with an individual disability income policy, clients can protect even more of their income. By adding individual DI coverage, clients will not have to cut back expenses that come with their lifestyle due to disability.

4. Available business solutions:

Disability insurance is not limited to individual coverage. There are many corporate marketplace solutions out there, including:

- Overhead Expense: Reimburses an owner for business expenses during a disability
- Key Person Replacement: Provides benefits to a business if a key employee becomes disabled
- Disability Buy Out: Funds a buy-sell agreement to buy out a disabled owner
- Employee Benefits: Helps employers offer income protection to employees on an employer-paid or voluntary basis.

5. Income protection is now fast and easy:

It is important to make the most of your time and your client's time. Processing and underwriting are now streamlined with many carriers:

- E-app: Applications can be submitted online and signed electronically
- Simplified Underwriting: The medical review process is now fast and easy with no exams or labs required (subject to certain age and benefit requirements)
- E-policies: Many carriers now allow policies to be delivered via email

Want to learn more? I can be reached at 781.449.6800, or dwakefield@faiu.com.

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