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What on Earth is Going on in the LTC Marketplace?

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OCTOBER– DECEMBER 2020

INSIDER'S NOTE

November is designated **Long-Term Care Awareness Month** to shed light on the importance of a long-term care plan. 70% of men and women over the age of 65 will need some kind of LTC service. As we all know, this specialized care can be very expensive, and can take a toll on the family as they try to figure out payment, roles of family members, and other logistics of making long-term decisions for a loved one. As representatives of this industry, it is up to us to help promote the importance of planning for the future.

As we come to the end of a very unconventional year, it's important that we take a moment to be thankful for the things that are good in both our personal and work lives, as well as for the positive opportunities that lie ahead as we head into 2021.

I am proud to be a part of this industry and am grateful to all of our graduates, Board of Advisor members, instructors, *Digest* contributors, and staff during this most challenging year. Thank you all for your continued support, service, and enthusiasm.

Amber Pate

Amber Pate, CLTC®
Executive Director

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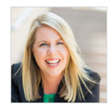

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COVID-19 HIGH RISK GROUP

The Importance of Planning Reviews

By Mary Ann Lacey-Gray, CLTC®

We've all been hearing a lot about the “high risk group." Many of us whom are licensed and certified are among them as well. This virus has clearly heightened awareness that an illness can cause serious financial concerns and, perhaps, even threaten our life if we become its victim. To worsen the problem, nursing homes and assisted living facilities are frequently in the news portrayed as hotbeds of coronavirus-related deaths.

There is, however, a positive outcome: those that are 55 and older are giving more thought to their personal situation and considering what they would do in the event they contract the virus. As a professional you need to pursue your prospects and clients for a review and update of their own personal plans.

We all know those who continue to say "I don’t need insurance, it probably won’t happen to me." At our office, we offer waiver of liability forms for advisors to include in client files as evidence that this discussion took place. Sometimes in the effort of getting that waiver signed, a client reevaluates their position and moves ahead with a plan that may include insurance, when possible.

Timing is everything. COVID-19 is driving us to use this unprecedented time to focus on the importance of planning reviews with our prospects and clients. For those that are uninsurable, we have annuity solutions that will sometimes be a good planning tool.

In any event, it is important that you know the planning desires of your client in preparation for the day you get a call from their family member asking, “What do we do now? As my mother's advisor, what plan is in place so we don’t lose all of her assets to care?”

November is Long-Term Care Awareness Month and there is plenty of advertisement available to you. We offer a video tool that can be attached to a personal email that shares important reminders of what they should be doing before it’s too late to protect their assets and family legacy.

Whatever method you choose to get your clients' attention, **don't hesitate—do it now!**

Third party influencers will also be more receptive now. You are a strong resource for them to provide to their clients or members. Zoom meetings are an excellent way to communicate and educate in today's virtual world. So roll up your sleeves, dial that phone, and send those emails as soon as possible. You are the coach and quarterback for your clients—don’t let them down.

MARY ANN LACEY-GRAY, CLTC®

Mary Ann is president of Undewriters Marketing Service, a company she founded in 1984 to offer brokerage services and marketing support to independent insurance professionals. Mary Ann has served on various advisory boards, held numerous committee positions, and currently serves on the board of the Burlington County College Foundation.

Protecting the Financial Health of Your Clients

Scams against older adults have reached epic numbers. Professionals in the aging industry can educate clients about how to protect themselves.

By Liz Loewy, Esq.

Elder fraud has reached epidemic proportions in America. Scams targeting older adults are devastating for victims—and their caregivers as well. Professionals who work with older clients are often the first to notice age-related issues that increase the risk of financial exploitation. Recognition of the problem by regulators, continuing education of professionals and families about current scams, and new technology tools will help professionals better protect at-risk clients.

An 87-year-old widow, hospitalized for renal failure, discovered that her younger sister used a power of attorney to gamble away her life savings while she was incapacitated.

A nursing home resident from Austria, whose family escaped the Holocaust, was defrauded by her accountant. He transferred over $1 million of her funds to himself for "expenses" that included courtside seats to sporting events and repairs to his hot tub.

The son of a wealthy philanthropist coerced his mother into signing estate documents years after learning that she was diagnosed with Alzheimer's disease, redirecting tens of millions in charitable bequests—to himself.

What do these stories have in common? They all reflect actual cases I prosecuted during my tenure in a district attorney's office. And they are typical of fraud schemes targeting seniors across the country. The value of stolen funds varies—and most go unreported. But there are common themes.

VICTIMS ARE OFTEN VULNERABLE AND KNOWN TO THEIR EXPLOITER

Not surprisingly, older adults who have physical or cognitive challenges are commonly targeted by scammers. When they are hospitalized or suffering from diminished capacity, they are particularly vulnerable. Exploiters who target individuals with age-related memory loss or dementia routinely argue that the transfer in question was authorized or "a gift." As the infamous Willie Sutton wryly remarked, thieves rob banks because "that's where the money is."

Americans over age fifty now hold approximately **83 percent** of U.S. assets (AARP & Oxford Economics, 2016), but one in three older adults dies with dementia (Alzheimer's Association, 2020), illustrating why **elder fraud has become a $36 billion business in the U.S.**

Exploiters are often known to their older, vulnerable victims. Family members and caregivers are the most common offenders, according to many prevalent studies (Hafemeister, 2003). Caregivers who have a fiduciary duty to their older relative (e.g. a power of attorney) may ultimately become motivated by greed, rationalizing that they "deserve" a gift or payment for the assistance they willingly provided. Cases involving family members who feel that they are entitled to their older parents' money or property often end up in criminal or civil court—even if they are the sole beneficiary of a will.

FRAUD SCHEMES PERSIST FOR YEARS

Scammers are often able to operate for months or years before their scheme is discovered. Why? Exploiters are smart. They don't routinely steal large amounts from one account, in one fell swoop. Instead, they start small, and then target different accounts and institutions over time. This makes it far less likely that any one bank, firm, or credit card company will flag an erratic transaction as potentially fraudulent. Financial institutions are not generally authorized to share information with each other about a specific customer because of privacy regulations, scammers are able to fly under the radar. Thus, none of the above cases were referred to law enforcement by the victim's financial institution—despite a number of red flags. Instead, the schemes went on for years before finally being uncovered by a relative or professional working with a family member. In most cases, a loved one or professional senses that something isn't quite right with the older adult and asks the right questions. The cases are vastly under-reported. A study in New York State found that only one in forty-four cases of elder financial exploitation is self-reported (Lachs & Berman, 2011).

ELDER FRAUD IS COSTLY TO VICTIMS AND CAREGIVERS

Elder fraud has been characterized as a "virtual epidemic" (Deane, 2018). It has devastating effects on seniors and their loved ones. Victims lose an average of $120,300 per incident (Jenkins, 2016). Caregivers, too, lose $36,000 on average (Allianz, 2014). Sadly, most victims who are retirees have no way to earn back stolen funds. Loved ones become their lifeline, often incurring financial stress and lost time at work in the process.

A recent study examining the mortality rate for survivors of different types of substantiated elder abuse found that victims of financial exploitation had the lowest survival rate—lower than domestic violence, sex crimes, or physical abuse, and tied with caregiver neglect (Burnett et al., 2016). All of the victims in the above sample cases passed away shortly after they were defrauded.

RECOGNITION AND SOLUTIONS

Professionals who work with older clients may be the first to notice issues which increase their vulnerability to scammers. Moreover, there is growing research

suggesting that an individual's issues in managing his or her finances may be an early indicator of age-related, diagnosable cognitive impairment (Fletcher, 2018). Financial service professionals now routinely educate their employees about ever-evolving scams, as well as steps they should take if there are signs that a customer may be in jeopardy. Regulators and legislators have focused on vulnerable consumers as well, with new rules pertinent to reporting, training personnel, 'holding' disbursements, and notifying designated "trusted contacts" in certain situations when fraud is suspected (Senior Safe Act 2018; FINRA Rules 2165; 4512, 2018).

A growing number of professionals are now introducing technology tools that can protect their clients' financial health by using analytics to identify erratic activity, long before a lifetime of savings is compromised.

Consumers, too, should take steps to protect their family members' financial health in advance of a problem. A conversation is a good way to start. A trusted professional might initiate this discussion or join the conversation later. A few important topics to consider:

- Many individuals have no idea where their parents or adult children bank, or whether they have an advisor, attorney, power of attorney, or doctor whom they see regularly.

  A master emergency contact list should be considered, which would include:

  » The names and locations of financial accounts (e.g. banking, investment, retirement, mortgage, credit card) and the types of accounts. Balances need not be shared.

  » A contact list of professionals who are or have been retained (advisor, broker-dealer, attorney, certified public accountant, insurance agent, medical professional).

  » Whether there is a power of attorney, a designated "trusted contact" (per FINRA Rule 4512), and/or a health care proxy in place.

  » The location of important legal documents (e.g. power of attorney, will, trust, real estate, tax, and/or insurance forms).

- Talking with family on a regular basis about current scams and how to recognize them is also a best practice. There are scams that are seasonal (such as during tax-filing season) and others that are variations on a theme (such as lottery and advance fee fraud). AARP has a Fraud Watch Network which can serve as a helpful tool for keeping updated on the latest scams in a particular region.

- Family members and aging professionals should consider working together to establish a system to help seniors and loved ones stay on top of their financial lives. Tech tools can simplify this process when support is miles away. Bill-paying services can be deployed to ensure that older clients don't fall into arrears on important payments. Robocall blockers can stop calls from unscrupulous vendors who have a talent for keeping vulnerable seniors on the phone. Digital vaults enable an individual to safely store electronic copies of documents and release them on the occurrence of a specific event. Prepaid debit cards can control spending and block purchases at specific locations. Finally, many experts believe that closely monitoring finances is the single most important way to prevent fraud and remain independent as we age.

Using technology to monitor finances will provide more comprehensive protection, beyond current "static" alerts sent by financial institutions. Fraud-prevention tech tools can enable family members and professionals to serve as an extra set of eyes to monitor financial accounts, credit, the dark web and real estate, alerting a designated team to erratic activity. Older adults can't afford to wait for an isolated alert from a bank or credit card company months or years after a scammer initiates a scheme. Vigilant monitoring can save older adults and caregivers from enormous monetary loss and emotional devastation. Taking steps to protect your older clients' financial health may very well save a life.

LIZ LOEWY, ESQ.

Liz is co-founder and COO of EverSafe, a technology service that monitors the financial health of older adults and families for fraud, identity theft, and age-related issues. Liz was formerly the Chief of the Elder Abuse Unit in the Manhattan District Attorney's Office, where her cases included the prosecution of the son of philanthropist Brooke Astor. A recipient of the National Adult Protective Services Association's Collaboration award, she presented at the 2015 White House Conference on Aging and the 2019 Milken Global Conference. View the EverSafe site at EverSafe.com.

RESOURCES & REFERENCES

The AARP Fraud Watch Network can be found at https://www.aarp. org/benefits-discounts/all/fraud-watch-network/ and features tips for spotting scams, as well as a helpline.

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THE REAL REASON WOMEN FEAR AGING

By Sheryl Hickerson

Longevity planning discussions are some of the hardest conversations to have with our aging parents. Is there ever a good time to bring it up? Who wants to be the one sitting around the dinner table asking, “Can you pass the turkey, and by the way, do you want to live in a nursing home or stay in your own home when you get old?” This is always a difficult and emotional conversation for everyone.

As someone who leads a growing membership community for women working in financial services, long-term care is a very real planning obstacle for folks inside and outside of our industry. The fact is, on average, *women outlive men*. (If you don’t believe me, just Google "Alan King Survived by His Wife" and I’ll wait while you watch the video.)

Women's longevity, combined with other financial planning challenges—such as poor saving years while being the primary caregiver of their children—contribute to women's fear of aging. We catch ourselves wondering, “Who will take care of me when I'm old?”

We should not fear aging, but rather,
fear the lack of planning.

Quality retirement planning includes thinking about all of the areas where we come up short for women—including for female financial advisors themselves! Many financial professionals do not have adequate planning in place for themselves after years of providing advice to individuals, families, and business owners. We too often have the realization "I’m always the one behind the camera and never in the pictures!"

As you continue to do the good work of our profession, always be vigilant about asking two really important questions:

1. **Who will take care of you in your old age?**
Chances are, most have no idea, or have only an inkling, of what they want. Helping them visualize what that looks like is the starting work of long-term care planning.

2. **What does "aging gracefully" mean to you?**
For women, aging gracefully doesn't only include minimizing the appearance of crow's feet around the eyes, but also brings to mind the idea of a stranger tasked with the job of bathing her in a nursing home. Sometimes, women may not know the best way to articulate this.

And if for fun you decide to share the Alan King video on Google that I mentioned earlier, it will get a laugh and provide some insight into what happens down the road.

Remember, aging gracefully starts with a open and honest conversation.

SHERYL HICKERSON

As an international speaker on social and digital strategies for financial service organizations, Sheryl works to grow the presence of the financial services professional through online platforms. In 2018, she started Females and Finance, a private membership organization dedicated to fostering recruitment, training, advancement, and retention of women in the financial services profession.

What on Earth is Going on in the LTC Marketplace?

By Shawn Britt, CLU®. CLTC®

The recent pandemic has cast us into living and doing business within a "new normal." This has produced questions on how long-term care (LTC) products will be affected, as well as how clients may feel about doing LTC planning at this particular time. Financial professionals as well as clients may be concerned about the following:

- Effects of interest rate declines
- Market volatility
- Client concerns with job security
- Retirement accounts staying on pace for a planned retirement date
- Safely doing business

These clients may be wondering, "Can I afford to do LTC planning now?" But can your clients afford *not* to do LTC planning right now? This article will discuss the above concerns and provide solutions that can help appease client apprehensions—with a focus on linked benefits LTC policies, also known as "hybrid" LTC policies, as these can meet so many of the needs that clients face today.

LOW INTEREST RATES

The current low interest rate environment has had varying effects on insurance companies, including concerns for clients looking for safe investment vehicles to place their money.

Linked Benefit (Hybrid) LTC Policies

Due to low interest rates, most, if not all, insurance companies have recently raised prices for new linked benefit/ hybrid LTC policies. In addition, most companies have also reduced the maximum age of issue. Single premiums saw a larger price increase than multi-premium schedules because the single premium must be invested all at once, which ties the funds to a lower interest rate for longer. Please note that all in-force linked benefit policies have guaranteed premiums, so they will never see a price increase.

Traditional LTC Policies

Stand Alone LTCi carriers are exposed to rate increases for new and existing policies since in-force policies generally do not have guaranteed rates. In addition, these policies are very dependent on income derived from interest to help pay claims.

In the short term, COVID-19 has had interesting impact on LTC claims. For example, one insurance company—who no longer sells LTCi coverage but was once a major provider of LTC insurance—saw a 15% decrease in people filing LTC claims during the second quarter[1]. Insureds were concerned that using coverage to pay for formal LTC services could expose them to the COVID-19 virus[1]. This same company also saw a 30% higher death rate for people on LTC claims[1]. The result was a cut in the loss ratio to 67% from the anticipated 85% to 90%[1]. They are preparing for delayed claims to be filed and expect claims will first rise for home health care.

LTC Riders on Life Insurance

Least impacted by interest rates are LTC riders on life insurance. The pricing will either not be impacted at all or just minimally impacted based on the aggressiveness of the carrier's past pricing. Any effects of low interest rates will more likely be reflected on the base policy attached to the LTC rider.

Self-Funding

More affluent clients may tell you they plan to "self-insure." But that is not possible, for the very definition of *insurance* is immediate leverage of a dollar and you cannot immediately leverage your own money. Thus, they are actually "self-funding."

One could argue that self-funding is "unsuring," for you are unsure of the rate of return you will get, and unsure of the time you will have to grow enough funding to pay for a potential LTC need.

For clients thinking they can safely self-fund with guaranteed options such as a certificate of deposit (CD), low interest rates may result in slow accumulation of the asset or savings. Can such safe but slow growth result in achieving the total funding an individual may need for a LTC event?

SOLUTION: Guaranteed Linked Benefit LTC Policies and LTC Riders

Premiums and benefits are guaranteed on linked benefit/hybrid LTC policies, LTC riders on annuities, and are offered on some LTC riders on life insurance. Once the policy is in-force, the premiums and LTC benefits are guaranteed, regardless of the premium payment schedule (assuming premiums are paid as scheduled and there are no withdrawals or loans). And the policy provides immediate leverage upon the first premium paid, so the amount available is always known. Guaranteed premiums with a known benefit can go a long way in bringing a level of comfort in LTC planning, even in uncertain times.

PORTFOLIO VOLATILITY

Another concern is portfolio volatility. Clients interested in hybrid/linked benefit LTC coverage may fear parting with portfolio assets when the market is down; and in a volatile market, financial professionals may be concerned with "single pay" premiums further draining a client's portfolio that has suffered losses. Such a large withdrawal cannot be grown back nor grown forward; therefore, it may not feel like a comfortable strategy to implement when account values are already reduced due to a down market.

SOLUTION: Linked Benefit LTC Coverage Purchased with Multi-Pay Premiums
Purchasing guaranteed leverage from a linked benefit LTC (hybrid) policy with a guaranteed multi-year premium schedule can help create portfolio stability. Consider a 10 year or pay to age 65 premium schedule. Smaller premiums still provide full immediate leverage from the first premium paid. This strategy leaves more funds in the client's account longer to recover and grow—and the death benefit can help restore a portfolio balance in event of early death.

PANDEMIC CONSIDERATIONS

Doing Business Safely

One concern for financial professionals and clients alike is applying for LTC coverage safely, which may mean utilizing an application and underwriting process with no personal contact.

SOLUTION: Linked Benefit LTC Policy
Fortunately, clients can apply for, be underwritten, and be issued a Linked Benefit/hybrid LTC policy without leaving their home or being in personal contact with others. The advisor can discuss a strategy for LTC coverage and take the application by phone; and underwriting is simplified, which means:

- No need to see a doctor
- No paramedic visit, no blood draw, and no fluids needed
- Interview is done by phone
- Client can provide information in the comfort and safety of their own home

Though linked benefit LTC policies are not fully underwritten, in a small percentage of cases an APS (Attending Physician Statement) may be ordered if additional information is required.

Receiving Care Safely

Another concern coming to light during these times of a pandemic is how to receive care safely, and limit contact exposure to numerous personal caregivers.

SOLUTION: Cash Indemnity LTC Benefits
Cash indemnity benefits enable the policy owner to pivot care needs on their own terms. Care from family members, whether permanent or temporary, could provide a safer environment with limited exposure to other people. Other alternatives that may better meet the need of the insured can also be paid for with cash indemnity LTC benefits since no permission is needed from the insurance company on how benefits can be spent. Some companies offering reimbursement plans have added care flexibility to their policies, but these features vary greatly by insurance carrier, so please read the contract carefully.

INCOME SECURITY

Many people are concerned with job and income security in these uncertain times. Some clients may wonder if this is the right time to consider buying LTC coverage.

- Job security fears may have clients wondering if they will have a job and the income needed in the future to be able to continue to pay premiums.
- Clients close to retirement may wonder if—in an environment of market volatility and low interest rates—they can afford to buy a policy and maintain income security for life.

SOLUTION: Linked Benefit LTC Policies Offer an "Escape Clause"
There are two options that can help a client when faced with financial difficulties in paying premiums:

- **Refund of Premium Options**
  These options provide the policy owner most, if not all, of their money back. Please note that ROP options vary by

carrier and have qualifications that must be met.

- **Reduced Paid Up Policy Option**
  If the client decides they can no longer afford to pay premiums, the policy benefits are reduced pro-rata based on the amount of premiums already paid, and the policy will now be a guaranteed permanently paid up policy. Keep in mind that this option is not offered by all carriers, and provisions may vary by carriers that do offer this feature.

THE HEALTH RISK OF WAITING

There is a health risk when waiting to buy LTC coverage. Lessons learned over the last few decades have led to more fine-tuned LTC underwriting than took place in the past. This has resulted in an increase in the decline rates for LTC coverage. Therefore, waiting comes with the risk of a change in health that could result in a decline in coverage. For example:

Between 2012 and 2019[2], declines in the traditional LTC insurance space:

- Below age 50 — Declines up 228%
- Age 50-59 — Declines up 50%
- (2019) Age 60-64 — Almost 1 in 4 declined
- (2019) Age 65 -69 — Nearly 1 in 3 declined
- (2019) Age 70+ — About 1 in 2 declined

But there is some good news! Declines for linked benefit LTC applicants are 25% to 50% lower than declines for applicants of traditional LTC insurance[3].

THE COST OF WAITING

There is also a financial cost to waiting. The longer you wait, the more the annual cost of the policy will be. If you are thinking of adding inflation, then the longer you wait, the fewer number of years will be available for LTC benefits to grow, resulting in less benefits available at claim time than if coverage was purchased at a younger age.

This hypothetical example is for a linked benefit/hybrid LTC policy, non-tobacco rates, with a 6-year benefit period, 3% compound inflation and a 10-year premium payment. The cost goes up while benefits go down when a policy purchase is delayed. See the following chart for the financial costs of waiting:

HOW WAITING EFFECTS POLICY COST AND LTC BENEFITS

Age	Monthly LTC Benefit at Issue	Monthly LTC Benefit at Age 80	Annual Premium	Total Premium Paid Over 10 Years
55	$ 5,000	$ 10,469	$ 11,580	$ 115,803
60	$ 5,000	$ 9,031	$ 13,361	$ 133,613
65	$ 5,000	$ 7,790	$ 16,591	$ 165,915
70	$ 5,000	$ 6,524	$ 25,039	$ 250,396

PLANNING FOR ENOUGH COVERAGE

Another concern for clients and financial professionals is planning for enough LTC coverage. How do you predict how long an individual claim will last? And how do you plan for the rising cost of care?

Choosing a Benefit Period
There are many options, but it helps to look for value when purchasing a policy. Statistics show that a claim lasting one year will average 3.9 years[4] (four years), but that is just the average. Currently, the most popular linked benefit sale is a six-year benefit period. One reason may be that this benefit period is the most commonly illustrated by the insurance companies. But another reason may be value.

Linked benefit/hybrid LTC policies are priced differently than standard life insurance policies. For an identical cost, a six-year benefit LTC period will pay much more in total LTC benefits than a four-year LTC benefit period. While the monthly benefit will be slightly less on a six-year plan versus four-year plan, the breakeven point on a policy with no inflation is generally less than four and a half years.

Consider the following hypothetical example showing options for a linked benefit/hybrid LTC policy from the same insurance company illustrating a $100,000 single premium for a 60-year-old female, non-tobacco, and no inflation. As you can see below, the downside of purchasing a six-year benefit versus a four-year benefit is minimal compared to a substantial upside. Numbers are rounded for ease of review.

LINKED BENEFIT/HYBRID POLICY: 4-YR v. 6-YR LTC BENEFIT PERIOD
(Same Insurance Company)

	4-YR Benefit Period	6-YR Benefit Period	6-YR Diff. in Benefits
Premium Paid	$ 100,000	$ 100,000	---
Total LTC Benefit	$ 331,000	$ 461,000	$ 130,000 more
Monthly LTC Benefit	$ 6,900	$ 6,400	$ 500 less
Death Benefit or 2 YR LTC Claim Rec'd	$ 166,000	$ 154,000	$ 12,000 less
4 YR LTC Claim Rec'd	$ 331,000	$ 307,000	$ 24,000 less
6 YR LTC Claim Rec'd	$ 331,000 (ends in 4 yrs.)	$ 461,000	$ 130,000 more

The 6-year total LTC benefit amount paid equals the 4-year total amount paid in total in 4 years and 4 months.

Keeping Up with LTC Costs

Linked benefit/hybrid LTC policies are typically offered with optional Inflation riders, which can help keep up with the increases in LTC costs. Typical inflation options to consider in planning are 3% simple, 3% compound, and 5% compound. A few insurance companies also offer inflation options based on certain indexes, such as the medical component of the CPI (consumer price index) or market indexes.

IN SUMMARY

The recent pandemic has created new opportunities for financial professionals to have LTC planning discussions with clients, particularly using linked benefit/hybrid LTC policies. Low interest rates can be addressed with the purchase of pre-leveraged LTC benefits. Purchasing LTC coverage during a volatile market can be balanced by spreading out premiums for a guaranteed linked benefit/hybrid LTC policy over 10 or more years. Linked benefit business can be done safely with simplified underwriting. Fears of future premium affordability can be addressed with Refund of Premium and Reduced Paid Up policy options.

Waiting to purchase LTC coverage places the client at higher risk of decline, and generally will result in higher premium costs. Fortunately, there is no real reason to wait—even in the environment that currently exists. The numerous LTC product solutions available today, many which include guaranteed premiums and benefits, are designed to help give an immediate boost to a client's LTC and overall planning strategy.

SHAWN BRITT, CLU®, CLTC©

Shawn is Director of LTC Initiatives for Advanced Consulting Group at Nationwide Financial. She has been engaged in the life insurance and LTC industry for over 20 years. Shawn has been a major influence in promoting the need for long-term care and development of Nationwide's LTC product solutions.

1 Think Advisor, July 29,2020; "COVID-19 Increased LTCi Claimant Mortality 30%: UNUM" by Allison Bell

2 The SCAN Foundation – Long Term Care Insurance Buyers Profiles, Spring 2011 (historical reference)) and American Association for Long-Term Care Insurance study of data from leading traditional LTC insurers. December 2019

3 Insurance company data

4 LTC Tree, Long-term Care Insurance Statistics, December 16, 2018

ASK THE ACTUARY

Three Software Tools to Save You Time

By Marc Glickman, FSA, CLTC®

DO YOU HAVE ANY LTCi QUESTIONS FOR THE ACTUARY?
Please submit them to Marc at marc@buddyins.com.

Disclosure: The author helps financial professionals and consumers connect with insurance specialists.

Dear Actuary,

I'm trying to grow my long term care practice. I find myself worrying that as it grows, I'm going to drown in the amount of task-oriented work that insurance naturally presents. How can I expand my business without sacrificing every free second I have?

Hectic in Houston

Dear Hectic,

I'll start by saying that you're certainly not alone. Insurance professionals have a lot to track throughout the client awareness, education, and sales process. Repeat the cycle over and over again for hundreds of clients, and your book of business can start to look like an overflowing closet.

There are many tools out there for process efficiency that it would be impossible to try to name them all. It seems like nowadays, there's a tool for any pain point you may encounter in your practice. For example, at BuddyIns we use over 25 different software tools that are integrated together to help our agent and agency partners with their long term care marketing and insurance sales.

So, while there's no catch-all for managing your business, the first step is figuring out, where are your pain points and bottlenecks? What tasks are most repetitive and take the most time? The answers to these questions will help you find the tools that will be most beneficial to your bottom line.

In this article, I'm going to outline three common pain points for insurance agents and recommend specific software programs that we've personally used to save us our most important asset, which is our time. These tools are leaders in their respective categories, but there are many great alternatives as well. The reason I've chosen to highlight these programs is because they are effective, easy to use, and they all have a free version. So what have you got to lose?

TOOL 1: ZOOM
MEETING WITH YOUR TEAM AND CLIENTS

Chances are, if your practice wasn't at least partly remote before this year, COVID-19 forced your hand. Though Zoom has been around for many years, the software certainly had its number called this year. Millions of people have become aware of its power to bring us together. Your kids may even be in class on Zoom right now as you read this!

It's no stroke of luck that Zoom is having its moment in the spotlight. The ability to have virtual meetings with your team, clients, and prospects can save you time. Back in March of 2020, the biggest objection I would hear from agents about using Zoom was that being on camera might make their clients uncomfortable. A few weeks later Zoom entered the mainstream and hasn't looked back. You can see your clients, host group meetings via teleconference, and share illustrations on your screen. It's the closest thing to a face-to-face meeting without being in the same room.

There are many similar software programs out there. One of the reasons that Zoom is popular is reliability and pricing. Zoom is currently free for one-on-one meetings with clients or team members. For group meetings, Zoom currently limits meetings to 40 minutes with an upgrade that costs about $15/month.

Even beyond COVID-19, having a tool like Zoom in your back pocket is just one of many ways that you can give your clients and prospects more options to interface and do business with you.

> **Zoom's Use Case**
> It's hard to imagine my team having as much success without Zoom. We work with partners all over the country, so what we do would be quite difficult without it.

We also host a lot of educational webinars and video interviews. We can put on a Zoom webinar, record it, edit it, and use it for content on multiple platforms. In a world that's becoming more virtual by the minute, we're glad to have Zoom as a sidekick.

TOOL 2: CALENDLY
APPOINTMENT BOOKING

Calendly is a tool that allows clients and prospects to self-schedule a meeting with you. Think of it as your virtual scheduling assistant. You can send people a link to your Calendly page or embed Calendly into your website.

One strength of Calendly is in its integrations. Calendly syncs with the major email calendar providers such as Gmail, Outlook, and iCloud to make sure your availability is viewable to clients and you don't get double booked. It can also integrate automatically with Zoom to set up your meeting room ahead of the appointment.

One of the key differentiators of Calendly is that once a client books a meeting, we have found no-show rates come down close to zero. Calendly automatically adds the meeting to your guests' calendars and sends out reminders for you. You can also set buffers, to make sure meetings aren't scheduled too close together for your comfort.

Calendly is free for a basic version and currently about $10/month for an upgrade to include integrations and reminders.

Calendly doesn't entirely replace the important touch point of calling clients to schedule. It just makes it easier to book appointments by giving your clients options and allowing them to reschedule without the back-and-forth usually needed to negotiate a time and date.

> **Calendly's Use Case**
> If your team is still calling every prospect and negotiating a meeting time manually, you can stand to free up a lot of time using this tool. I use Calendly to schedule meetings not only with partners and prospects, but also with my team. I fill up my schedule easily with almost no sweat.

TOOL 3: JOTFORM
FORMS AND INFORMATION GATHERING

One of the most common complaints I get from industry professionals about working in insurance is that gathering information from clients can be an unpleasant experience.

Scanning or sending PDF fact-finders to clients who you *hope* have the capability to fill out, scan, email, fax, or hand-deliver them back to you is frustrating. Clients are busy and can easily get bogged down by the simple process of sharing information that you need to do your job. It doesn't need to be that way.

Jotform allows you to create shareable web-based forms that clients can fill out quickly and easily. The information comes back to you in a format that is satisfying and immediately usable.

Beyond that, you can also create a form on your website that works as a funnel. If prospects are interested, they can fill out the form with their contact information. Once submitted, Jotform can then trigger all sorts of events, such as saving their information into your contact management system, sending the prospect a welcome email, and offering them access to your Calendly to book a meeting. In this scenario, you can see where Jotform begins to nurture the relationship with your prospect!

If gathering health information for pre-underwriting is cumbersome, Jotform also has a HIPAA-compliant version for an added cost.

> **Jotform's Use Case**
> Jotform will be most valuable to those who don't already have a good system in place for gathering information from clients and prospects.

If you've read this far, you've probably noticed a few commonalities about the tools I've shared:

- They're intuitive and easy to use.
- They're free to start using and advanced features are inexpensive as well.
- They contain automations and integrations that take laborious tasks off of your plate.
- They reduce the friction involved in working with your clients and work hand-in-hand with your personal touch and branding.
- As a result, they're low risk and high impact, which means a big boost to your business.

I hope these recommendations have helped you discover a few new tools as you continue to grow and manage your business. The more you're able to integrate technology into your practice while still maintaining a personal touch, the more you'll be able to spend time with clients. All the while, things you used to stress about will just hum along in the background.

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Marc is CEO and Founder of BuddyIns.com; a community of long-term care planning experts. His mission is to help families across the country get an LTC plan and to support the 44 million caregivers in the US. Marc is an actuary by profession and a licensed insurance agent. He is a graduate of Yale University with a degree in economics. He lives in Southern California with his wife and two kids.