

Policy Reviews: Winning Life Insurance Sales in a Difficult Economy

If you are looking for a simple way to make your clients happy and add to your bottom line then look at **Policy Reviews** as a highly productive, simple place to start. Our team will help you with the reviews while you simply have to get the policyholder's permission to try and save them money or find a better overall value!

In this economy, everyone is interested in value, but for a place to start consider:

- 1) Anyone you know in or around a struggling industry: contractors, realtors, laid off workers
- 2) Families with too much house and too little insurance
- 3) Owners of market-based life products that have been underperforming
- 4) Anyone coming to see you for a portfolio review
- 5) Anyone with a policy—there is no cost to check!

Term insurance rates are very competitive, mortality tables have changed for the better but policies may be on the old 1980 CSO table, some tobacco use rules have become more lenient, and so much more. It is a great time to add this as a “new service” for anyone you meet. The worst case is you offer a valuable service and confirm that the product still meets their needs.

Our extensive company and product access makes us a great resource for this market. If you think this is a lot of work and a little revenue, consider the case we reviewed below:

Policy Review – Case Study

In this scenario, we were able to provide a new proposal consolidating coverage, increasing death benefits, eliminating annual premiums and adding no lapse guarantees. This is a *win-win* scenario—the clients increase their coverage, free \$7,300 + of annual cash flow and the agent gets paid very well.

- 1) Mr. Smith, Male, Age 61, Standard Non-Tobacco

Existing Coverage:	\$100,000 Death Benefit UL Policy
	Cash Surrender Value: \$37,352
	Annual Premium: \$2,024

	\$100,000 Death Benefit UL Policy
	Cash Surrender Value: \$50,644
	Annual Premium: \$2,606

New Coverage:	\$316,870 Death Benefit NLG UL
	1035 Exchange Amount: \$87,996
	Year 1 Accum. Value: \$86,873

Annual Premium Req'd: **\$0**
Target Premium: **\$6,432**

Annual Premium Cash Flow Savings \$4,630

Death Benefit Increase 58.4%

2) Mrs. Smith, Female, Age 59, Standard Non-Tobacco

Existing Coverage: **\$100,000** Death Benefit UL Policy
Cash Surrender Value: **\$50,625**
Annual Premium: **\$2,702**

New Coverage: **\$271,635** Death Benefit NLG UL
1035 Exchange Amount: **\$50,625**
Year 1 Accum. Value: **\$49,695**
Annual Premium Req'd: **\$0**
Target Premium: **\$3,825**

Annual Premium Cash Flow Savings \$2,702

Death Benefit Increase 171.6%

Client Cash Flow Savings \$7,332; Total Target Premium \$10,257

Total Excess Premium \$128,364

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