

Initiating the Linked Benefit Conversation

Linked Benefit prospects are more common than you think. Any client who hasn't purchased Long Term Care is self-insuring. Anyone with \$100,000 or more in conservative savings vehicles such as money market accounts, savings accounts, Annuities or CDs are all great prospects. Almost any asset can be transferred tax-free into an appropriate Linked Benefit solution—even IRA or pension money.

By following these easy steps, you can identify prospects, illustrate the value of Linked Benefits and begin the important screening process.

- 1. Start with a simple question: "If you had an unforeseen extended medical event in retirement, which assets would you rely on first to pay those bills?"**
 - "If you should need Long Term Care for any reason, it could cost more than what you have in income today."
 - "Of the assets in your portfolio, which would you like to sell first? The reason I'm asking is because, if something should happen to you, it's your family who may be calling me, not you. It's likely they won't have a good knowledge of your portfolio and I don't want to make the mistake of liquidating the wrong assets."
- 2. Respond to the client's answer. Inform them that self-insuring can work if their assets are leveraged properly.**
 - "It's great that the asset is fairly liquid and you have control of this money. What you're doing is self-insuring. If you never need Long Term Care, you can use it for other things or pass it on to your heirs."
- 3. Let your client know about the downside of self-insuring.**
 - "Self-insuring has its benefits, but there are a few risks present. If not enough money is set aside, some Long Term Care events can have a negative impact on one's legacy or retirement plans. If you're fortunate enough to not experience a prolonged medical event, the assets might not pass to heirs in a tax-efficient manner."
- 4. Ask your client some questions to clarify that you are on the same page.**
 - "It sounds like you have pegged this asset as your go-to funding source if a Long Term care event should take place. You might not need to spend that money in retirement and if you live a long and healthy life, it will add to the legacy you pass on to your spouse, family or charity. All the while, you maintain control of that asset."
 - "It might not be enough to cover an extended medical event. We can explore options that allow you to increase your spending power but still enjoy control and liquidity."
- 5. Tell them the Linked Benefit story and begin your pre-screening process.**
 - "Financial products have been developed to help you better leverage your assets and maximize your income if a Long Term Care event should occur in your life. Many of them allow you to cancel penalty-free and pay a death benefit to your family if you leave them to heirs."
 - "These contracts rely on your health history to ensure you can get approved for them. The good news is that most of them don't require exams or medical records. Let's review your health history to ensure we pick the most appropriate product to suit your unique needs."

See next page for the Pelorus Financial Linked Pre-Screening Tool



Linked Benefit Pre-Screening Form

Submit to your Pelorus Financial Linked Benefits Marketing Specialist at bratliff@pelorusfg.com or 760.230.5791 (fax)

Client Name:		Date of Birth/Age:	
Approximate Premium:		Source of Funds:	
Product (optional):			
Tobacco Use: Yes No		Gender: Male Female	
Height:		Weight:	
<p>Medical Problems: Include Medications Taken; Dates and Descriptions of Surgeries and/or Procedures</p> <p>Cancer: Type, Stage, Lymph Nodes Affected</p> <p>Diabetes: Diagnosis Date, Medications—Dosage and Frequency, Circulatory or Renal Complications</p> <p>Heart History: Dates, Medications, identify which Arteries were Bypassed or Corrected</p> <p>Other Concerns: Medical History, Weight, Aviation, Hazardous Sports, Foreign Travel, Unusual Test Results</p>			
Diagnosis/Problem	Date	Medications/Treatment	
Tentative Underwriting Action: (Home Office)			
Underwriter:			
<i>*Never guarantee this tentative quote to your client, as this quote may be modified during the actual underwriting process*</i>			
Agent Name:			
Agent Phone Number:			
Agent Email:			

All documentation relative to any health concerns mentioned above should be submitted along with this form.