



## DISABILITY INCOME INSURANCE

# Selling DI at the Workplace

Help your business clients understand that they need to cover everyone equally and that DI coverage is as important as life insurance.

By Helen Thompson

Bill Deuink, a principal of HFCB, LLC, in Charlotte, N.C., specializes in selling disability income insurance plans for highly compensated employees in large companies. That's quite a niche, but it's made him very knowledgeable about running a successful DI insurance practice. Specializing, as he has done, is part one of the equation: Having a niche allows you to really drill down into what your clients want. Partnering with other benefits advisors—not competitors, but advisors who specialize in life and health but don't sell DI insurance—is part two. And part three is understanding your products so that you can set up the right plan for each business client.

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But while Deuink sees those three things as being the three parts of a successful DI insurance practice, successfully selling DI insurance requires some additional understanding of the marketplace. You need to understand human resources (HR) professionals and the issues they are facing in the current economy to help them meet their employees' needs. "The HR department is always lean and overworked," says Deuink, a member of Charlotte AIFA (N.C.) "If you want to present a solution, it should be low impact for them, but the issue it addresses must be perceived as of high importance."

### Help clients find the gaps

One trend Deuink notes is that increasingly, employees are subject to maxing out their group plan benefits even if they're not in the top tier of compensation. "As compensation continues to increase, so does the number of employees hitting that max," he says.

Performance-based compensation also complicates the benefits picture, because many DI insurance policies cover only wage-based compensation. "Two things are happening here," explains Deuink. "First, more weight is being assigned to performance-based compensation, so people are making more money through bonuses, commissions and other incentive-based compensation. Second, this compensation is being seen lower down the line—even at the director and manager level."

Often, employers are discovering this gap in coverage for the first time when they meet with you. "Be sure to explain to them that it's often a gradual, unintended shift in compensation that causes it," says Deuink. "They want to be reassured that others are going through the same thing—and they are."

This way of explaining DI insurance helps employers understand that one group policy may not be right for all their employees and, in fact, may not help some of them at all. "It's not a perk," says Deuink. "You have to cover the vice president the same way you cover the administrative staff."

### Make it attractive

It doesn't matter whether the plans you are selling are employer-paid, voluntary, or a combination of the two. To successfully pitch long-term disability, for example, you have to show it has the same importance as other benefits. "The key factor is packaging it as a core benefit," says Deuink.

The same analogy can be used for voluntary sales, he adds. “Employers provide employer-paid life insurance, but offer extra,” he says. “Employees are more likely to use long-term disability than life insurance. So if they’re buying life insurance, doesn’t it make sense to get long-term disability insurance as well?”

Remember that everyone understands data differently, too. By presenting the material in different formats, you’re more likely to identify the one that helps the client understand the problem. “Go ahead and tell them, ‘I’m going to present this information four times in four different ways,’” Deuink says. “Use tables, bar charts, scatter grams and analogies. Going into the meeting, you don’t know what’s going to work for them. But you’ll know it’s working when they start verbalizing their understanding to you.”

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