



Asset Care: One-Liners & Handling Objections

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Agenda

One-Liners & Handling Objections

“An objection is not a rejection; it is simply a request for more information.” – Bo Bennett

Topics today

- Common objections & how to frame them
- Key phrases/one-liners that are memorable & resonate with clients

Tom & Anna

Hypothetical case study

- 61 male, 60 female
 - Married
 - Good health, non-smokers
- \$2mm set aside for retirement
- No LTC plan



Hypothetical Case Study: Tom & Anna

Objection #1

Objection: *“It’s never going to happen to me.”*

- 70% of people will need long-term care
- 10% have a plan for it
- Clients think they are in the 30% that won’t need LTC

Hypothetical Case Study: Tom & Anna

Objection: “It’s never going to happen to me.”

Alternate start to LTC conversation...

- *“In your retirement years, what would be the reason for your income needs to suddenly skyrocket?”*
- *“Often times with many of my clients they begin to receive expenses in their retirement years due to aging that they hadn’t planned for. This will have a severe effect on the plans we have put into place. I have a plan to create an income stream specifically designed to ‘kick in’ at the moment you begin to incur these new retirement expenses that will last the rest of both your lives. May I show you?”*

Hypothetical Case Study: Tom & Anna

Objection #2

Objection: “Self-funder”

- *“We have over \$2 million saved; don’t you think we can just pay for these costs if they come up?”*
- Common objection with clients, CPAs, advisors, & attorneys
- Drastic impact on other goals, e.g. comfortable lifestyle, legacy, etc
- What if care lasts 15+ years?

Hypothetical Case Study: Tom & Anna

Objection: “Self-funder”

Options to respond...

- *“You’ve done a great job with building your wealth, but now we need to protect it. It’s not a question whether or not you can pay for care out of pocket; the question is ‘why would you?’ If we can leverage a small portion of your assets to pay for care expenses to avoid paying dollar-for-dollar for care, wouldn’t that be a better way to ‘self-fund?’”*

Hypothetical Case Study: Tom & Anna

Objection: “Self-funder”

Options to respond...

- Reference health insurance for perspective
- Affluent clients still carry health insurance
 - Wouldn't want to pay cancer treatments out of pocket
 - Same concept for LTC insurance
 - Leverage insurance company for the catastrophic risk
- *“Why pay retail dollar when you can buy it on clearance?”*

Hypothetical Case Study: Tom & Anna

Objection: “Self-funder”

Options to respond...

- Reframe LTC being an asset issue to an income issue
- Hypothetical scenario:
 - \$2mm in assets driving retirement income
 - 4% annual withdrawal for income (\$80k/yr)
 - \$1.5mm LTC event for Anna
 - \$500k left to drive retirement income
 - **75% drop** in income (\$20k/yr)

Hypothetical Case Study: Tom & Anna

Objection #3

Objection: “Average LTC claim is only 2 to 3 years”

- “Data are just summaries of thousands of stories. Tell a few of those stories to help make the data meaningful.”
– Chip and Dan Heath*
- “Average” LTC claim contains countless stories of people who needed care for 5, 10, or even 15+ years*

Hypothetical Case Study: Tom & Anna

Objection: “Average LTC claim is only 2 to 3 years”

Options to respond...

- Only in long-term care do we think of covering the “average” claim
- Homeowners, car, and health insurance we cover the catastrophic
 - Average claims:
 - Homeowners – hail damage
 - Car – windshield replacement
 - Health – accidental injury
 - Catastrophic claims
 - Homeowners – loss of home in fire
 - Car – totaled in wreck
 - Health – cancer treatments

Hypothetical Case Study: Tom & Anna

Objection: “Average LTC claim is only 2 to 3 years”

Options to respond...

- Regarding Lifetime COB rider:
 - Clients aren't afraid of short-term care; they're afraid of long-term care
 - Can afford a couple years of LTC out of pocket
 - Cannot afford 5, 10, or 15+ years out of pocket
 - Alzheimer's risk should be looked at same as cancer risk
 - 1 out of 3 people (33%) over age 65 will develop Alzheimer's or some other form of dementia*
 - Average Alzheimer's duration is 8 years
 - Alzheimer's kills more than prostate and breast cancer combined*

* Alzheimer's Association: <https://www.alz.org/alzheimers-dementia/facts-figures>

Hypothetical Case Study: Tom & Anna

Objection #4

Objection: Cost of the COB rider

Options to respond...

- *“High deductible catastrophic risk insurance”*
- Affluent people use high deductible insurance
 - Take on smaller risks themselves – makes catastrophic coverage more affordable
- Base policy acts like Health Savings Account – use to meet deductible

Base policy

Lifetime COB rider

Hypothetical Case Study: Tom & Anna

Objection #5

Objection: Can get higher returns elsewhere

Options to respond...

- *“These solutions will not make you rich; they are meant to keep you from becoming poor”*
- Purpose is to leverage dollars and create income stream for LTC

Hypothetical Case Study: Tom & Anna

Objection #6

Objection: We want indemnity benefits, right?

Options to respond...

- OneAmerica offers bill administration – OA pays care provider directly
- CareScout – helps family understand and manage claims process
- Keep family as care supervisors, not caregivers
- Reimbursement may provide 40 to 60% more in LTC income versus indemnity

Hypothetical Case Study: Tom & Anna

Objection #7

Objection: Wouldn't the kids just take care of us?

Options to respond...

- *“Remember why we are doing this”*
- Keep family as care supervisors, not caregivers
- Income stream to cover LTC expenses
- LTC plan is selfless thing to do
 - Instruction of what funds to use
 - Protect other assets
 - No heated discussion between family members
 - Leverage company to pay bills

Thank you for attending!

Please reach out to your marketer, back office,
or internal wholesaler with questions.



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