

Welcome to the Pierian Spring eNewsletter June 2009 Trauma – Exclusion Discount

Please accept our sincerest apologies for not doing any newsletters in the month of May; but updating our program (SMART Comparitor) with a few (3) companies ENHANCING their product offerings had to take priority.

You may remember in the last issue we offered our web page development services that will help you play some of the insurance companies at their own game.

We had numerous enquiries for this service and many development requests.

The future holds opportunities for electronic marketing that can lift profile and profit.

Click the link to view a demonstration of the possibilities.
(This is a demonstration page, so not all the features are working.)

<http://www.addata.com.au/addatademo/addatawebquote.htm>

If you would like an obligation free quote for developing this type of site, read the description at <http://www.addata.com.au/YourOwnWebsite.pdf> , complete the form below and return to me.

www.smartcomparator.com.au/articles/Web_Quote.doc

Now for this issues newsletter.

Subsequent to our initial 3 newsletter of this year, titled Building Blocks, or Dial a Disease trauma policy, with a particular company offering you the opportunity to sell their Trauma policy and if your “field underwriting” warranted it, minus Cancer or minus them Coronary conditions, therefore placing all the risk on you, in coming up with that solution for the client.

We extended that article from one newsletter to three, simply because of the reaction and feedback that we received from you, our readers.

Well we are pleased to announce that 2 companies will now offer a premium reduction if “they” not you, have to exclude Cancer or Coronary conditions.

This to us makes complete sense in that it is the insurance company making the call and not you – less stress on your PI policy.

In our opinion, this is the most sensible way of approaching Trauma insurance where and for whatever reason; the client may not be eligible to have the full comprehensive cover, based on their underwriting manager’s experience rather than yours.

We do not normally name companies, but in this instance they both deserve to be named simply because of their innovativeness.

The companies that will offer your client a premium reduction if “they”, for whatever reason have to exclude Cancer or Coronary Conditions are Macquarie Life Limited and Asteron Life Limited, as well as one company that lets you field underwrite and offer the discounted premium.

This is great considering that in past, and still practiced by a majority of insurance companies, where an exclusion applied – no premium reduction applies or applied.

This still leaves the other companies this great opportunity to play catch up, some time in the near future.

This leads to another issue and that is insurance company people may speak with a forked tongue, and what I mean by that is that I recently had the pleasure of both speaking too and listening to a product manager about how their IP product expires at age 70. The thing that was not mentioned to a large number of advisers in attendance was the fact that this is a reducing percentage that the client would get paid – not the full amount.

In other words, if your client was disabled on the anniversary prior to age 68, then the proportion of the sum insured that is payable is 20%, yet your client is charged for the full sum insured?

How does this make sense, because it will certainly make cents (these will add up to \$\$\$) for the insurance company.

How does your risk rating program portray this?

Do they rate this benefit rated as an “A“ or do they give it 100%?

To view previous Articles, click on the following link:

www.smartcomparator.com.au/enews

Remember the onus of Research is on you and the rating program that you use.

Until the next issue of the Pierian Spring eNewsletter, Good Researching.