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It's A Milking Stool

A milking stool is a low three-legged stool with a half round seat that is used to sit on while milking a cow. It is steady, sturdy and dependable and provides a direct approach to the business at hand. The specific objective of the enterprise is to not fall on your posterior or spill the milk.

The long term care insurance problem persists—much like the aroma of a large pail of soured milk. We have marginalized the sale by continuing to embrace the illusion that buying a policy is somehow an optional transaction. Yet, we do not view any other known risk with such faulty reasoning.

Estimates are that \$15 to \$20 trillion will be needed to pay the boomer caregiving bill. Many—if not most—Americans will live a long life and many—if not most—will need care. Long term care is very expensive now and will be even more so in the future.

Where will the money come from? The unspoken quandary is not who will pay but who should pay. Don't look for a powdered milk bailout from a "nationalized dairy."

A cow will reliably provide five to six gallons of milk a day if you regularly invest in feed, water and maintenance. However, she must be milked consistently or she will dry up completely.

We are all facing a known resource of un-

avoidable risk. Protecting and investing in financial management to maintain a reliable reservoir of nutritious milk for ourselves and our loved ones places us all squarely in the animal husbandry business.

We have been given the tools to do the job: invest, save and buy insurance to protect our efforts. In long term care insurance sales we have created a number of insurance

instruments to secure an orderly and less stressful outcome. Similar to the milking stool, we now have three primary options available—life insurance with a chronic illness accelerated death benefit rider (ADBR), combined life/annuity products, in addition to bread-and-butter stand-alone LTC insurance.

We simply need to make one strategic revision in our approach: to recognize there is really only one sale and really only one integrated risk evaluation. In other words, one integrated process to create and preserve as much milk as possible for our customers...one comprehensive conversation that requires the availability of a structurally sound milking stool with all three legs securely in position so that we can accomplish our task to maintain comfortable access, dominion and control of the assets we have helped generate. The availability of all three legs guarantees the correct proximity and free-



dom to maneuver into the best position to facilitate a controlled stream of milk.

Conversely, selling three separate and isolated financial instruments creates a “wobbly” foundation which may result in an outcome fraught with anxiety (crying over spilled milk—*sorry, I couldn't help myself*).

The cumulative support of all three legs is what defines the transaction rather than which leg receives the greatest load. We must establish the need, define the risk and

discuss all the available options: Does your life insurance or annuity policy provide for long term care expenses if needed? Do you have other assets which we can enhance? How much stand-alone long term care insurance do you need?

The critical sales issue is how much of your client's total out-of-pocket expense can be reduced. He could have no up-front cost for an ADBR and little risk to face amounts or account values with the addition of a long term care insurance benefit from a combo life

or annuity policy. Once the long term care insurance liability has been reduced with these structural choices, he could consider adding return of premium to his stand-alone comprehensive long term care, which would result in all premium being returned to a named beneficiary—tax free.

Eureka! A guaranteed economical stream of milk when needed, all of which was accomplished simply because the cows were fed and protected and a milking stool was available. 🌐