

U.S. INDIVIDUAL  
SALES TRAINING

# INDIVIDUAL WHOLE LIFE INSURANCE



Cigna Supplemental Solutions®  
*Insured by Loyal American Life Insurance Company*

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# Agenda

Life insurance behavior

Product features for Individual Whole Life

Coverage and benefits

Product availability and filing

Anti-Money Laundering (AML) training

Simplified issue underwriting

Broker tools and resources

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# LIFE INSURANCE BEHAVIOR

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Whole life insurance helps provide financial support to the beneficiary to help pay for final expenses.

Did you know...

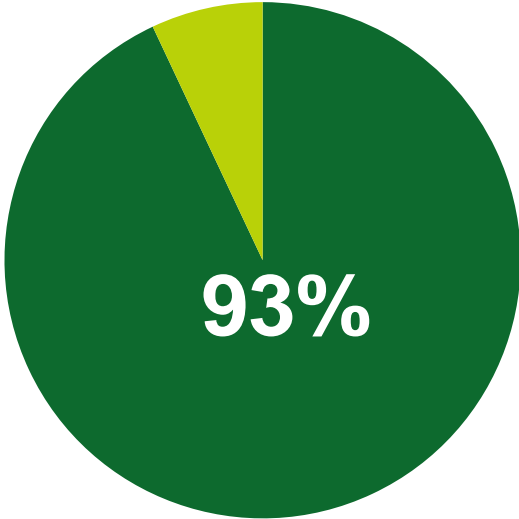
- Over the past decade, the median cost of an adult funeral increased by 28.6 percent. That means today costs increased to \$7,181.\*
- In addition to funeral expenses additional costs may include:
  - Household bills and utilities
  - Airfare costs for family to attend the funeral
  - Flowers
  - Newspaper notices
  - And many other expenses

\*Median cost of an adult funeral with viewing and burial. National Funeral Directors Association, [nfa.org](http://nfa.org), "Trends & Statistics", accessed February 5, 2016.

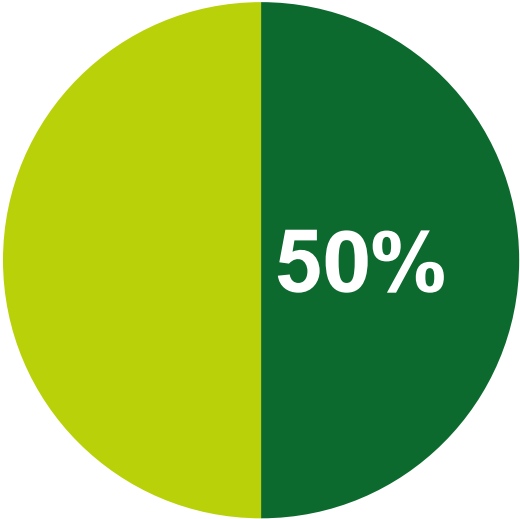
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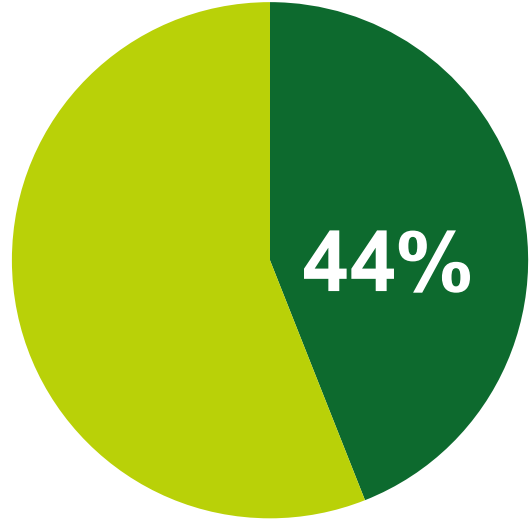
# Life insurance behavior



of people say that life insurance is something most people need



of people admit they do not have adequate life insurance coverage



of people own an individually purchased life insurance policy

Source: Visually: <http://visual.ly/life-insurance-facts-figures>

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# INDIVIDUAL WHOLE LIFE INSURANCE

Insured by Loyal American Life Insurance Company

Offer some peace of mind to your customers and help them prepare for final expenses

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## Individual whole life policy

Insured by Loyal American Life Insurance Company

- Death benefits from \$2,000 to \$25,000
- Coverage for individuals, issue ages 50-85
- Level or Modified Benefit coverage (depending on health history)
- Simplified issue underwriting with a “yes/no” application
- Policies issued in 3-5 days
- 5% spousal discount\*
- No annual policy fee
- No height/weight chart
- Premiums will not increase
- Terminal Illness Accelerated Benefit Rider Included\*\*

\* Only available if both individuals apply at the same time. Discount is applied to the policy of the youngest spouse.

\*\* Rider only included with the Level Benefit Plan. Not included or available with the Modified Benefit Plan.

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**PREPARE FOR LIFE**

INDIVIDUAL WHOLE LIFE INSURANCE POLICY  
Insured by Loyal American Life Insurance Company

Together, all the way.™

Cigna.



# Individual whole life value proposition

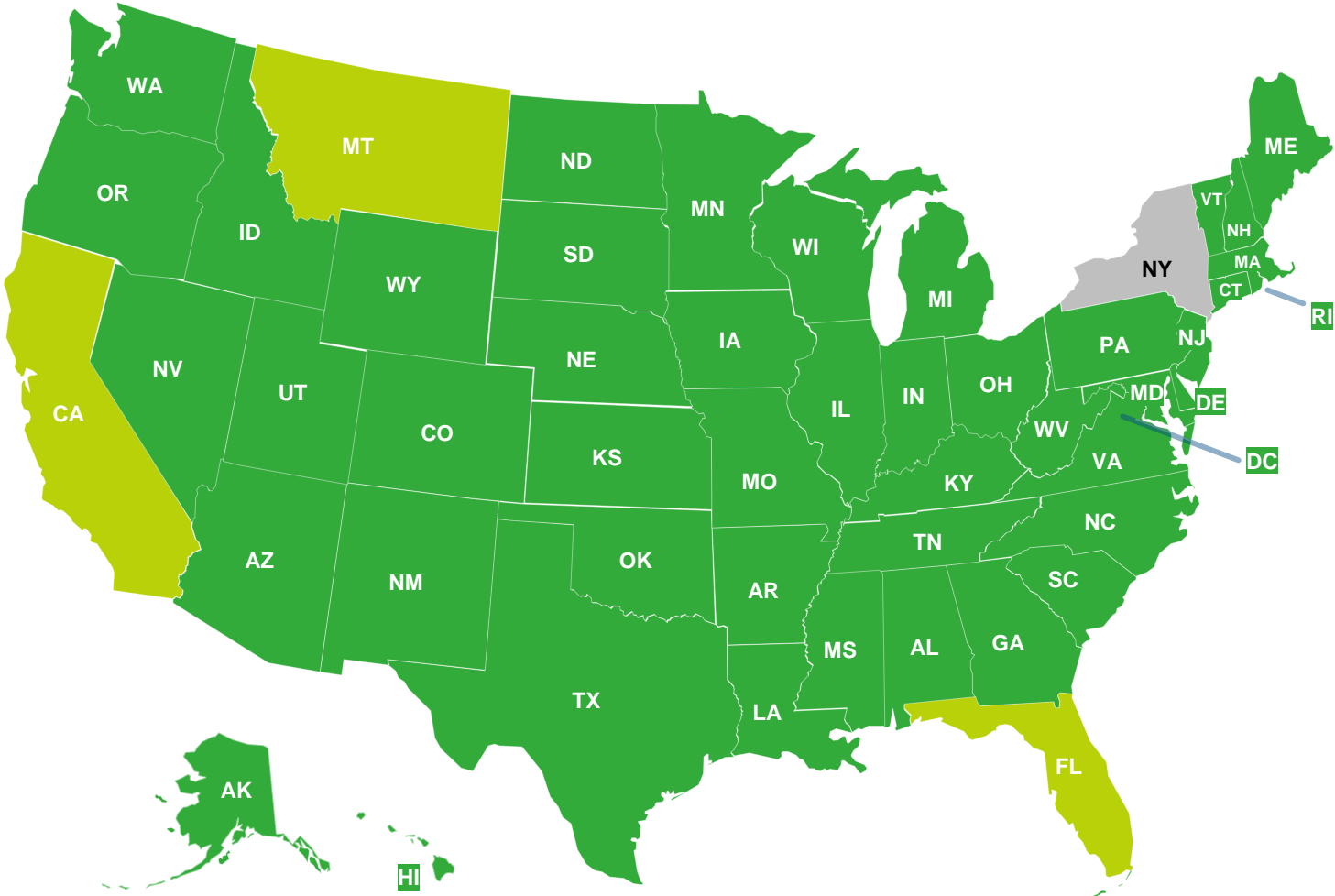
## Definition:

- Overarching goal is to enhance the CSB market value proposition to begin to tie health and wealth as an integrated customer value. Customer insights consistently demonstrate that Life products:
  - Are the insurance products that are most familiar to consumers
  - Provide financial peace of mind
  - Give customers a sense of proactively taking care of themselves and not being a burden on their family
- The addition of Individual Whole Life aligns with our strategic direction to move to a broader based product portfolio, and from limited distribution to cross-sale initiatives and multi-channel distribution.
- Individual Whole Life is an excellent complementary product with other ancillary supplemental products which can appeal in the senior space.
- Consumers consistently express interest in having increased options for insurance coverage which meets ***their*** individual needs and finances.



# Individual whole life

Currently available in 47 states



■ Product Available   ■ Product Filed   ■ No Product Available

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# Product availability chart

## Individual Whole Life

	Individual Whole Life
Alabama	●
Alaska	●
Arizona	●
Arkansas	●
California	
Colorado	●
Connecticut	●
Delaware	●
D.C.	●
Florida	
Georgia	●
Hawaii	●
Idaho	●
Illinois	●
Indiana	●
Iowa	●
Kansas	●
Kentucky	●
Louisiana	●
Maine	●
Maryland	●
Massachusetts	●
Michigan	●
Minnesota	●
Mississippi	●

- Located in AgentView
- Check product availability in the selling states
- State information is updated regularly

Visit [AgentViewCigna.com](http://AgentViewCigna.com) to view Supplemental Benefits Product Availability Chart in full

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## Level benefit plan

- Pays the face amount elected for the loss of life.

Loss of life from...	Level Benefit Plan Death Benefit Amount
Non-accidental death within first two years of coverage	100% of benefit amount
Non-accidental death after being covered for two or more years	100% of benefit amount
Accidental death while covered	100% of benefit amount

### Sample Monthly Rates\*\* for \$5,000 of 'Level' Benefits

Ages	Female Non-Tobacco	Male Non-Tobacco
50	\$11.23	\$15.60
65	\$23.10	\$30.51
75	\$40.51	\$51.94

\*\*Availability and rates vary by state

## Modified benefit plan

- The Modified Benefit plan are for those who do not qualify for coverage under the Level Benefit Plan.

Loss of life from...	Modified Benefit Plan Death Benefit Amount
Non-accidental death within first two years of coverage	110% of premium paid
Non-accidental death after being covered for two or more years	100% of benefit amount
Accidental death while covered	100% of benefit amount

### Sample Monthly Rates\*\* for \$5,000 of 'Modified' Benefits

Ages	Female Non-Tobacco	Male Non-Tobacco
50	\$17.12	\$24.46
65	\$36.26	\$49.54
75	\$58.12	\$77.17

\*\*Availability and rates vary by state

## How to calculate the spousal discount\*

- 5% premium discount on Spouse rate if coverage is applied for by both at the same time and both policies are issued.
- The spousal discount only applies to the youngest of both applicants.

### Spousal Discount Calculation\*

To find the correct rate for the spouse that the discount will be applied.	<b>\$40.51</b>
This is the discounted rate that should be entered on the application. Multiply that rate by .95 (95%)	<b>X .95</b>
This is the discounted rate that should be entered on the application.	<b><u>\$38.48</u></b>

\*Sample rate is based on a female; non-tobacco; age 75 with \$5,000 of Level benefits.

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# Premium rating

<b>Age Bands</b>	Single year issue age rates ages 50 to 85 inclusive
<b>Gender</b>	Male/Female rated
<b>Tobacco</b>	Tobacco rated (Tobacco / nicotine within last 12 months)
<b>Rate Tiers</b>	Individual; 5% premium discount on Spouse rate if coverage is applied for by both at same time and both policies are issued
<b>Policy Fees</b>	No Annual policy fee



## Additional coverage and benefits

### Terminal Illness Accelerated Benefit Rider

- Lump sum amount, not to exceed 50% of the selected benefit amount, can be accelerated
- 12-month definition of terminal illness
- Automatically included at no additional charge (Level Benefit Plan only)  
(Terminal Illness Rider is not available or included with Modified Benefit Plan coverage)

### Accidental Death Benefit to Age 100 Rider

- Optional rider for additional premium
- Benefits amounts ranging from \$10,000 - \$50,000
- Issue ages from 50-85; rider terminates upon attainment of age 100

## Description of coverage and benefits

- **Non-forfeiture options**
- Cash Value Settlement
- Reduced Paid Up Insurance
- If no option selected, will default to reduced paid up insurance
  
- **Policy loan provisions**
- If elected on the application, an 'automatic premium loan' provision will take effect to automatically pay premium due if premium due remains unpaid at the end of its grace period.
- Policy builds cash value beginning in the third year.
- A cash loan can be requested by the insured if the policy has accumulated a cash value.



# SIMPLIFIED ISSUE UNDERWRITING

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# Simplified issue underwriting

## Simplified issue application questions

- Part 1: 7 questions. "Yes" answer to any question = no coverage issued
- Part 2: 4 questions. "Yes" answer to any question = Modified Benefit Plan coverage issued
- "No" answer to all questions = Level Benefit Plan coverage issued

## Additional requirements

- MIB lookup
- Rx check lookup
- Declinable Drug List (DDL); applicant drugs obtained from Rx check lookup
- Telephone Interview (PV) conducted

# PHONE VERIFICATION

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# Phone verification

## What is a PV?

A PV is a phone interview that applicants must complete in order for CSB to process applications. The PV acts as an **electronic signature** and also verifies medical questions with the applicant.

## What is a Case number?

During the PV, the applicant will receive a PV case number that should be included on the app before submitting.

## Where do I call?

Live PV Associates are available for you and your customer Monday – Friday from 8 a.m. to 6 p.m. central time. PV Line: 866.825.4822

**Completing the Phone Verification (PV) at the point of sale  
Helps the application to get processed faster!**

# When does a customer need a PV?

## Individual Whole Life

Product	Express APP (no wet signature)	Phone/Fax (no wet signature)	Paper/Fax (with wet signature)
Individual Whole Life	Live PV	Live PV	Live PV

**PV Line: 866.825.4822**

Live PV Associates are available Monday – Friday from 8 a.m. to 6 p.m. Central time.

# Phone sales

**Submit the completed application, over the phone, in 3 easy steps!**



## Call your customer.

- You can fill out the application in EXPRESS APP while talking.
- Write 'Phone Sale' on signature line
- Submit via fax or mail.



## Conduct a Phone Verification (PV).

- Conference in your customer and call the PV line at the point of sale.
- Face-to-face application can be fax or mail.



## Submit the application.

- Submit the application via EXPRESS APP, fax or mail.

### Other supplemental products that are eligible for phone sales:

- Medicare Supplement
- Companion Whole Life
- Supplemental Solutions
- Critical Choice Cancer and Heart Attack & Stroke
- Cash Advantage® Critical Illness
- Accident Expense
- Flexible Choice Cancer and Heart Attack & Stroke
- Cancer Treatment
- Accident Treatment



# ANTI-MONEY LAUNDERING (AML) TRAINING

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# Anti-Money Laundering (AML) Training

- Agents must complete Anti-Money Laundering (AML) training through LIMRA, taking the **Anti-Money Laundering for Insurance Producers** course prior to writing or submitting any Individual Whole Life business.
- Agents who have already completed this LIMRA course only need to complete the refresher course, **Ramifications of Money Laundering – Anti-Money Laundering for Insurance Review**.
- Agents that have completed an AML training with another company must still complete AML training through LIMRA.
- Visit **AgentViewCigna.com**, under Training>Basics, and select 'AML Certification Training' for more information.



# Broker/Agent Resources

## Telephone

Agent Resource Line: 877.454.0923

Phone Verification (PV): 866.825.4822

Claims: 866.459.1755

To reach any of the below departments, call: 877.454.0923:

New Business – email: [CSBNewBusiness@Cigna.com](mailto:CSBNewBusiness@Cigna.com)

Underwriting – email: [CSBNewBusiness@Cigna.com](mailto:CSBNewBusiness@Cigna.com)

## Fax

Paper App Submission: 877.704.8186

New Business RFI: 888.695.2591

Customer Services: 888.670.0146

Supplies: 888.417.8267

Commissions: 512.590.6045

Licensing: 888.832.4154

## Contracting Tool

*Express Way:* [www.AgentExpressWay.com](http://www.AgentExpressWay.com)

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# QUESTIONS



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