

Humana Agent Podcast Series

Episode 40. Make Retention Your #1 Sales Strategy.

Why is a good retention strategy so important? Of course, it helps you maintain your book of business. But it can also lead to growth opportunities. We'll cover strategies big and small that you can start implementing today to maximize your member retention.

Speakers:

Rocky Manning
Broker Relationship Executive
Minnesota, Montana, North Dakota and Wyoming

SECTION 1—WELCOME/INTRODUCTION

Jason/Host:

Welcome to *Grow Your Book*, the Humana Podcast Series where we help Agents like you tackle topics that matter most to your business.

Here, you'll get the inside line on *tips and tricks* that truly make a difference:

- Learn how to *write more business*
- *Enhance* your Agent experience
- And help your members achieve *their best health*

On the go, at your command, get ready to *Grow Your Book!*

INTRODUCTION

Jason/Host:

Hello, Humana Agents! This is your Grow Your Book host *Jason Rockow-Vivier*, here with a very important episode.

We're recording this episode in June 2020, where it's no secret that the coronavirus pandemic has changed the way we live and work. And that means we need to be prepared for a socially distanced sales season.

As always, Humana is here to help. If you're wondering how to navigate AEP in these circumstances, one of the best ways is to... [DRUMROLL] ...focus on retention. I know the title of the episode gave it away, but I wanted to add some extra pizzazz.

For those Agents who are listening after things have settled down, don't worry, this episode is still important for you too. Because pandemic or no pandemic, retention should always be your number one sales strategy.

Today, we'll go over:

- Why retention is so important
- What rapid disenrollment is
- How you can prevent rapid disenrollment
- And some tried-and-true best practices to help maximize your member retention

Our guest today is Rocky Manning, a Humana Broker Relationship Executive who's helped his markets achieve some of Humana's highest member retention rates.¹

So let's get to it, shall we?

SECTION 2—A NOT-SO-ROCKY GUEST APPEARANCE

Jason/Host:

Hi Rocky, welcome to the show!

Rocky/Guest:

Hey Jason, and hi Agents! Excited to add “Podcast Guest” to my resume!

Jason/Host:

[LAUGHS] Always happy to help fulfill the podcast dreams of our guests!

To kick things off, could you give us a peek into your background with Humana?

Rocky/Guest:

Of course. I was initially hired in February 2010 as an inbound dental and vision sales rep. I held that position until August 2015, when I became an inside sales rep, or what's now known as a Broker Relationship Executive.

¹ Interview with Rocky Manning, May 28, 2020

For any newer Agents who are listening, that means I provide telephonic support for our external partner Agents in select markets. I cover Minnesota, Montana, North Dakota and Wyoming.

Jason/Host:

Great! And thank you for explaining that for our new Agents.

So Rocky, what made you realize that a good retention strategy is as important as it is?

Rocky/Guest:

Well, it's something that I've known for a while. But what really drove it home for me was in 2017, when Minnesota sunsetted its cost plans.

Jason/Host:

Oh yeah, I remember hearing about that.

Rocky/Guest:

It was a big deal because many Medicare eligibles in Minnesota had a cost plan, and Medicare Advantage (or MA) was more of an afterthought. But when cost plans were sunsetted, MA membership grew considerably.

Some of our Agents had more than 500 members in their book of business, so retention was obviously a huge priority. Most of those members had to switch to a new plan they weren't familiar with.

SECTION 3—NO RETAIN, NO GAIN

Jason/Host:

Wow, that's not exactly an easy task.

Rocky/Guest:

Not at all. But from what I saw, the Agents who implemented retention strategies prior to the sunsetting of the cost plans had an easier time keeping their members than the Agents who didn't.

Jason/Host:

I think that's a great segue into the first topic I wanted to cover today: why should retention be an Agent's number one sales strategy?

Rocky/Guest:

So of course, it was an extreme case when the cost plans were sunsetted. But every Agent should prioritize retention for one simple reason: it's easier to keep the members you already have than it is to acquire new ones.

Jason/Host:

So true. You've already put in the work to gain the trust of your current members, but you have to lay all the groundwork if you're trying to gain the trust of a new prospect.

Rocky/Guest:

Exactly. If you don't implement a good retention strategy, you're just leaving money on the table.

And even more to the point, with the pandemic making face-to-face meetings both difficult and, frankly, a little unwise, it's harder to get your name out there and find those new prospects.

Alt:

And even more to the point, with the pandemic making face-to-face meetings both difficult and, in most cases, a little unwise, it's harder to get your name out there and find those new prospects.

Jason/Host:

It's definitely not an easy time to be an Agent, but focusing on retaining your member base can pay huge dividends. I've actually got some stats here that I think you and our listeners will find pretty interesting.

Rocky/Guest:

Hit me.

Jason/Host:

This first one probably won't come as a shock to you, Rocky, but increasing member retention by just five percent can increase your profits by 25 to 95 percent.²

Rocky/Guest:

It's pretty amazing how much of an impact it can have on your book of business in the long-term.

The thing to remember, Agents, is that retaining a member isn't about making a single sale. It's about building a lifetime relationship that's mutually beneficial.

² <https://www.forbes.com/sites/jiawertz/2018/09/12/dont-spend-5-times-more-attracting-new-customers-nurture-the-existing-ones/#34ed7d565a8e>

Jason/Host:

Absolutely. And that's a great segue to my next set of stats. I always appreciate when our guests have good segues.

Rocky/Guest:

[LAUGHS] I do what I can.

Jason/Host:

It's been shown that, compared to new members, loyal members are:³

- Five times more likely to repurchase
- Five times more likely to forgive a mistake
- And seven times more likely to try a new offering

Rocky/Guest:

That last one is especially important. If you have a member on a vision plan who talks to you about wanting better overall coverage, then you can show them some options for Medicare Advantage if they're eligible. And that could lead to an extra—not to mention more lucrative—sale.

With relatively little work on your part, you can grow your book of business without acquiring a new member.

Jason/Host:

Not to mention, your current members can help you grow your book of business through a good ol' fashioned referral, which is what my last stat is about.

Referrals—AKA word of mouth—are basically free advertising. Rocky, can you guess what percentage of Americans say that a recommendation from friends or family makes them more likely to make a purchase?

Rocky/Guest:

I'd guess something like three out of four, so 75 percent?

Jason/Host:

So close! 83 percent!⁴

Rocky/Guest:

Aw man, next time.

³ <https://experiencematters.blog/category/roi-of-customer-experience/>

⁴ <https://ss-usa.s3.amazonaws.com/c/308474682/media/76085e73d653121e139076537739517/chatter-matters-research.pdf>

But it just goes to show that a good retention strategy is also a great growth strategy. It all comes back to that one word: trust. If your members trust you, they'll tell others that they can trust you too.

SECTION 4—RAPID DISENROLLMENT IS THE WORST

Jason/Host:

Exactly. And trust—or the lack thereof—is one of the biggest factors in rapid disenrollment.

Could you give our listeners a quick overview of what rapid disenrollment is?

Rocky/Guest:

Happy to. Rapid disenrollment is when a member... well, rapidly disenrolls. More specifically, when they cancel their plan before it goes into effect or when they disenroll within three months of enrolling in a plan.

Jason/Host:

And that's pretty much the worst-case scenario for any Agent. It means you did all this work and get none of the reward.

Rocky/Guest:

You said it. Rapid disenrollment obviously negatively affects your bottom line, but it could also affect your reputation in your community. And potentially even affect your compliance standing with the carrier.

Jason/Host:

Basically, it's something we should all try our best to avoid.

Rocky/Guest:

Exactly.

Jason/Host:

So, in your experience, what are some of the main reasons for rapid disenrollment?

Rocky/Guest:

Well, it typically comes down to four things:

- The member's current doctors aren't in-network
- Their prescriptions are misquoted
- They don't understand the costs and benefits of their plan

- Or they're confused by carrier education and calls

Jason/Host:

That makes sense, so let's start with the first one: when a member's doctor isn't in-network.

Rocky/Guest:

Sounds great. As many of you know, Agents, most people typically want to stick with their doctor once they've found someone they're comfortable with.

Jason/Host:

I understand that. I don't plan on switching anytime soon.

Rocky/Guest:

Same with me. So if you enroll a member in a plan where they think their doctor is in-network, but then they receive an out-of-network charge, you can imagine the level of frustration that they'd feel.

Jason/Host:

It would probably feel like the rug was pulled out from under them.

Rocky/Guest:

Yep, which isn't a great way to start things off with a new member. And certainly not for a loyal member who you know has been going to the same doctor for years.

Jason/Host:

Certainly not. So how about that second reason? Misquoted prescription costs?

Rocky/Guest:

If you quote a members' prescription—which we all have to remember, is something extremely important for their livelihood and their wellbeing—that's what they're expecting to pay.

So, if they walk up to the pharmacy counter and see a different amount (which is almost always higher), chances are they'll be pretty upset.

Jason/Host:

That's totally understandable. After all, it's our job as Agents to make sure our members get the right information so they can make informed decisions based on their needs.

Now on to that third reason for rapid disenrollment: understanding costs and benefits.

Rocky/Guest:

Well, this goes hand-in-hand with misquoting a member's prescription costs.

Many members may live on fixed incomes. That means they need to be able to prepare for what costs they'll need to cover as well as how much those costs will be. If an Agent didn't fully explain those costs and the member gets a bill they weren't expecting, it could throw off their entire budget.

Jason/Host:

The last thing we want to do is get our members in a bind financially.

Rocky/Guest:

Of course, sometimes a particular benefit can help offset some of the costs a member is responsible for. But if those benefits are confusing or they don't know how to access them, they'll likely get frustrated and disenroll.

Jason/Host:

I'm starting to see a pattern here: frustration. The more frustrated a member gets with their plan, the more likely they are to disenroll quickly.

Rocky/Guest:

You hit the nail right on the head, Jason. Healthcare can be complicated for people who aren't in the industry, like most beneficiaries. But we're not doing our jobs if it feels complicated to our members.

Which brings me to the fourth reason: carrier education and calls.

Jason/Host:

You're talking about the member materials and follow-up phone calls from Humana that come after enrollment, right?

Rocky/Guest:

That's right. It's all necessary information, but it's also a lot of information. If a member isn't prepared to get all of it, it can seem overwhelming and confusing. Which, again, can lead to frustration and disenrollment.

SECTION 5—RID YOURSELF OF RAPID DISENROLLMENT**Jason/Host:**

That's a great point. Agents, always remember to let your member know what to expect after they enroll, including getting that information packet.

Rocky/Guest:

And that's the advice I was going to give about how to prevent this issue. Let your members know that they'll be getting a comprehensive packet from Humana. Oftentimes it's multiple mailings.

It's a good idea to show them the Humana member onboarding videos on YouTube. It's a great way to help set their expectations of what'll happen after enrollment. It can also be helpful if you get on the phone with them while they watch so they can ask questions.

Jason/Host:

And that's a great way to give your members that personal touch even if you're social distancing.

If you don't have the link, just go to YouTube and search for a video called: "Humana Medicare Advantage Your Journey Starts Here."

So, I think now it's time to talk about *preventing* rapid disenrollment. You just suggested how to prevent confusion from carrier education, but what about the other three issues?

Rocky/Guest:

The thing I always tell my Agents is to make sure that they do the work on the front end.

It all starts during the prospecting phase. When you get a lead from a purchase list, your marketing efforts or a referral, the first thing you should do (after making sure they qualify, of course) is conduct a needs analysis.

Make sure you ask important questions like:

- What coverage do you currently have?
- Why did you choose your current policy over others that were available?
- If you could add or change anything about your current plan, what would it be?
- Do you have someone that makes health care decisions on your behalf?
- Do you have any other healthcare coverage right now?

Jason/Host:

In other words, really get to know them.

Rocky/Guest:

⁵ <https://www.youtube.com/watch?v=HAUhOmbMsso&t=1s>

Bingo. And just as important, don't cut corners. Take some time to let their answers soak in, and then use what you learned in your sales presentation.

Jason/Host:

This is probably a great time to mention how Humana's digital sales tools can help with this.

Rocky/Guest:

Great idea! I know you're a fan of them, Jason, so do you want to start us off?

Jason/Host:

It'd be my pleasure!

If they asked you to look up specific prescriptions, you can use Rx Calculator to estimate their costs.

Rocky/Guest:

And double-check to make sure you entered all the information correctly. This is the best way to avoid rapid disenrollment reason number two: misquoting their drug costs.

Jason/Host:

Another tool I like to use is Enrollment Hub, which can compare plans, including premiums, benefits and more.

Rocky/Guest:

Enrollment Hub is great for all you visual people out there, because it compares plans side-by-side. This makes it easy to decide which plan you will go into more details about, which helps prevent rapid disenrollment reason number three: confusing costs and benefits.

You can also use Digital Marketing Materials to compare up to three plans by sending your sales kit to a member or prospect. They can check them out on their own time and, once you've given a compliant sales presentation, they can enroll themselves, while you still get credit for the sale.

And yes, all of this is done compliantly.

Jason/Host:

Some great advice again, Rocky! I know our Agents are always looking to stay compliant.

So the last reason for rapid disenrollment is the first one we covered: when a member's doctor is out-of-network.

I'm guessing you can solve this with Find a Doctor?

Rocky/Guest:

You really do know your sales tools, Jason! I'm happy to hear it.

Humana's Find a Doctor with Care Highlights lets you see which providers are in-network for each plan. So as you go through your sales presentation, you can check whether your member's doctors are in- or out-of-network.

Jason/Host:

I love all of our digital sales tools because of how much time they can save. And it sounds like they can also be a huge help in avoiding rapid disenrollment.

Rocky/Guest:

It's one of the reasons why I highly recommend that all of my Agents start using them. Especially since we'll likely have to take a more virtual approach for AEP 2021.

Jason/Host:

For all you newer Agents listening, what Rocky and I just talked through was part of Humana's 10-step selling process. If you want a more comprehensive overview, we have a great document outlining it on MarketPoint University.

Rocky/Guest:

Another great resource that I highly recommend.

Now, Jason, do you mind if we go back to the needs analysis?

Jason/Host:

Of course, what do you have for us?

Rocky/Guest:

I just wanted to emphasize how important doing a thorough needs analysis is. Let me get up on my soapbox real quick...

The needs analysis is where it all starts. It's your bread and butter as an Agent, and it's what really makes the difference for your members at the end of the day.

Just going through the motions won't cut it. It's a detriment to both you and your member. Even if you've had a relationship with that member for years, the key to continuing a positive relationship is to find out what's changed since you last spoke with them.

After all, things can change so quickly, as I think the year 2020 has proven pretty well.

But if you do all of this right, rapid disenrollment will be nothing but a couple scary-sounding words.

SECTION 6—OTHER THINGS TO MENTION ABOUT RETENTION

Jason/Host:

Again, really good point, Rocky. It's a classic case of being proactive so you don't have to make up the work later on down the road.

We've covered a lot of great information so far, so hopefully all you Agents listening have been taking notes!

There's just one more thing I wanted to talk about, Rocky. You've said that doing a thorough needs analysis upfront is the best thing to do for retention. But do you have any advice on other strategies that have worked well?

Rocky/Guest:

The biggest one is to make sure you aren't limiting your retention strategy to Q4 and AEP.

What I mean by that is: retention should be a year-round strategy. There's no shortage of easy opportunities to do a little extra something for your members, which can help increase your likelihood of retention.

Jason/Host:

I definitely understand that. Could you give us an example?

Rocky/Guest:

One of the best things to do is to send handwritten birthday cards. I know it might sound a little corny, but hear me out.

You can pull an Excel spreadsheet of all your members' information from Humana My Business Center in Vantage, and one of the pieces of information is—you guessed it—their birthday.

At the beginning of every month, make it a habit to sit down and write cards for all of your members who have birthdays during that month. It'll quickly become a routine for you. But it's far from routine for your members to receive a handwritten birthday card from their insurance Agent.

Jason/Host:

That makes a lot of sense, and it really isn't that big of a time commitment for Agents. But like you said, it can make a huge difference in the eyes of your members.

Rocky/Guest:

Another big piece of advice I give is to just be proactive and follow up regularly with your members. Humana has a great follow-up guide called the 3-30-60-90 Day Guide, which I can't recommend enough.

It has a ton of advice on not only when to follow up, but how and what you can talk about when you do.

Jason/Host:

I love that guide. It always helps me with my post-enrollment strategy. Agents, you can find that guide on the Humana Ignite site.

Rocky/Guest:

Along the same line, regularly following up with your members throughout the year helps keep you top of mind. It means when they have a question, they'll call you, not someone else. And it gives them an opportunity to talk to you about issues they might be having.

Jason/Host:

Now, I know some Agents are hesitant to make these kinds of follow ups because they can lead to service work that can take some time. What would you say to these Agents?

Rocky/Guest:

Yeah, I hear it all the time too. The fear of the ever-dreaded service issues.

But Humana has a solution: the service inquiry tool, which makes the whole process take about five minutes.

When you log in to Vantage, go to My Humana Business Center, look up your member and click "Service Inquiry." Then you can choose what kind of issue it is, type in a summary and click submit.

It takes the guesswork out of the process, it's secure and it documents everything.

Jason/Host:

More of those digital sales tools at work.

Rocky/Guest:

Exactly, so there's no excuse not to regularly follow up with your members. If you have a service issue like that, you now have a clear, concise way to deal with them.

And then my last piece of advice is for all of our Agents to use Humana's digital sales tools. Trust me, they're really easy to use once you train on them. But if you go in blind trying to work with them, it could frustrate the tooty out of you.

Jason/Host:

It's so true, Agents. There are a ton of training webinars on MarketPoint University, or you could reach out to your BRM or BRE and ask for some one-on-one training.

Rocky/Guest:

Now I know a lot of Agents out there love the paper applications. Certainly, in my market, I know a lot of Agents who prefer them. And of course, if your member doesn't feel comfortable with an electronic application, you should respect their preference and continue using paper applications with them.

But outside of that, I'd recommend using the digital sales tools. So for all you listeners, I'll do what I do with the Agents in my markets. I'm challenging you to give it the ol' college try.

Get trained on the tools and then submit five applications. If you still hate it, then feel free to stick to paper applications. But after the Agents I support have submitted their five, I have yet to hear anyone come back to me saying they prefer paper.

Jason/Host:

You heard it here first, Agents! You've officially been challenged. And if you don't like the sales tools, personally email Rocky Manning at R-M... No, I'm kidding.

I think that's a pretty great note to end on, Rocky. Thanks so much for sharing your knowledge and giving us your advice! I know it'll be really beneficial for our Agents.

Rocky/Guest:

No problem at all. This was fun! I can talk about this stuff all day. Good luck out there, Agents! And if you're in one of my markets, I'm sure we'll talk soon.

Thanks for having me. Now back to you in the station, Jason!

SECTION 7—SAYONARA

Jason/Co-Host:

What a ton of great information. I hope you're feeling a little more prepared to implement some retention strategies, Agents!

Let's do a quick recap.

- First, retention is important not just to maintain your book of business, but also because it can lead to ancillary sales and referrals. AKA, growth.
- Second, some of the leading causes of rapid disenrollment are when a member's doctor is out-of-network, their prescriptions costs are higher than expected and when they don't fully understand their benefits.
- And finally, the best way to prevent rapid disenrollment—which means maximizing your retention—is to do a thorough needs analysis up front and then follow up throughout the year.

If you missed anything during today's episode, just hit rewind and listen again. We promise we won't change anything.

Thanks for your time today, Agents. We appreciate all of you and your dedication to helping your members lead healthier lives. Especially in uncertain times.

Be sure to hit that subscribe button for more tips and resources to help Grow Your Book!

Until next time, I'm Jason Rockow-Vivier, and this is the Humana Grow Your Book podcast series. Wishing you health and happiness from your friends at Humana!