



**DISABILITY SPECIALISTS**  
INCORPORATED

## THE ENROLLMENT PROCESS

*Setting new standards for  
production, innovation and data  
security in the national  
Voluntary Individual Disability  
marketplace*

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The enrollment process described below has been used successfully to enroll over 120,000 people. Our clients include ING, AIG, National Planning Holdings, Linsco/Private Ledger, Cambridge Investment Research, Securities Service Network, Pacific Life, Beneficial Life, Nationwide, the Montana Dental Association, the State Bar of Montana, the Pennsylvania Psychological Association, and Professional Employer Organizations (PEOs). These clients represent 18 Broker/Dealers, 4 life insurance companies, 3 professional associations, and 3 PEOs that offer our Disability Income, Overhead Expense, and DI Retirement Security insurance products to their Eligible Registered Representatives (hereafter referred to as “registered reps”). The enrollment process is designed to be low key and informative, and has resulted in consistent enrollment percentages far exceeding industry standards (25-35% of the people who receive quotes purchase one or more of the disability insurance products).

- Modified Guaranteed Issue Program (MGI)
  - This program is designed for Broker/Dealers to offer their registered reps as a benefit for being licensed through the Broker/Dealer.
  - If the registered rep meets the Modified Guaranteed Issue criteria and qualifies financially, they are guaranteed a policy, are not required to take a paramed exam or blood test, and short form applications are used. Financial documentation is required.
  - Rates are discounted 25% for Disability Income and 20% for Overhead Expense and DI Retirement Security products.
- Enrollment of the program is conducted from DSI’s Bozeman, Montana office. There are 8 full-time licensed Advisors and 4 Scheduling Coordinators on staff. This allows us to contact approximately 3,500 people a month.
- Registered reps are contacted by fax, email, and/or phone, at their place of business, NOT at home.

### **Enrollment Process**

- The Broker/Dealer (you) sends out an Announcement Letter (via blast fax, email, newsletter, etc.) to all registered reps.
  - In addition, many of our clients publish articles to help educate registered reps on the need for Disability Insurance. The articles are written by DSI and have proven to be a useful tool in assisting registered reps with making sound and well-informed decisions about their financial future.
- 1 to 2 weeks after the Broker/Dealer announces the program, DSI starts the enrollment process.
  - DSI faxes a copy of the Announcement Letter the week that an advisor is scheduled to contact the registered rep. Faxing the Announcement Letter



the same week allows the registered rep to view it a second time so it's fresh in their mind, and helps reinforce to the registered rep that a relationship exists between DSI and the Broker/Dealer.

- Within 3 days of DSI faxing the Announcement Letter, an advisor will attempt to contact the registered rep via telephone. If the registered rep is not available, a voicemail is left and an email will be sent immediately following the voicemail. The email will contain information on the program and the questions the advisor will need answered in order to send the registered rep an individualized packet (illustration/price quote, summary of program definitions and an application).
- If the registered rep has not responded within 3-5 business days, the advisor will make a follow-up phone call. If the registered rep is not available, a voicemail will be left followed by a second email.
- If the registered rep still does not respond, there is no further contact until the advisor has finished enrolling the entire state or 30 days has past, whichever is longer. At that time, a final email is sent offering one last chance to receive an illustration/price quote. No phone contact is attempted.
- If a registered rep requests information:
  - The registered rep will be sent an individualized packet (illustration/price quote, summary of program definitions and an application). The registered rep has 30 days from the date he/she requests information to enroll in the program, under the Modified Guaranteed Issue offer.
  - The advisor follows up once a week, unless the registered rep requests they not be contacted until a specific date. The purpose of these contacts is to answer any questions about the programs/products and to remind the registered rep of the last date for enrollment.
  - If a registered rep decides to apply for one or more of the products, there are 3 options to complete the application: 1) the advisor completes the application by phone and faxes it to the registered rep for signature, 2) the advisor helps the registered rep complete an "on-line application," or 3) the registered rep completes the application himself/herself.
- Submitting the application

The applications are processed at DSI's administrative office in Sherwood, Oregon. After DSI has received all required information from the registered rep, the application is submitted to Principal Financial. The policies are issued and mailed to the registered rep, typically within 3-4 weeks.



- Enrollments are conducted once a year. Registered reps under age 45 can enroll under the MGI offer each year until age 45. Registered reps ages 45 to 55 can enroll under the MGI offer the first two years the program is offered. Registered reps ages 55 to 60 can enroll under the MGI offer only the first year the program is offered. DSI does not contact registered reps during the yearly enrollments unless they are eligible for the MGI offer. All registered reps, age 60 and under can enroll in the disability programs **at any time**, with proof of medical insurability and receive the discounted rates.

DSI's enrollment process is strictly adhered to and one of the primary reasons DSI is an acknowledged industry leader at enrolling Voluntary Individual Disability Programs.

- Enrollment results indicate the perceived value of the Program by the Broker/Dealer's registered reps. However, there are some outside factors that affect enrollment results.
  - The biggest buyers of disability insurance products are under age 50. Therefore, Broker/Dealers that have a significant number of registered reps between age 50 and 60, may have a lower than expected enrollment percentage.
  - Many registered reps have already purchased disability insurance and are not eligible to increase their benefits.
- Enrollment of the disability programs is conducted once a year. While all of the above factors can impact enrollment percentages, based on DSI's performance history, the following enrollment results are expected.
  - The first year between 8% and 10% of the eligible registered reps will enroll in the program.
  - By the end of the 3<sup>rd</sup> year's enrollment, 20% to 25% of the eligible registered reps will have enrolled in the program.
- DSI can provide the Broker/Dealer with a series of articles describing the need for disability insurance, and how the different disability products available to the registered reps work. These articles can be published in the Broker/Dealer's newsletter, on their website, or emailed to the registered reps. The articles will also help those registered reps that do financial planning understand how best to advise their clients on how to set up their disability programs.