

(Last chance to cast a Reader's Choice ballot, p.77)

BENEFITS SELLING

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Employers talk back
Eastbridge Consulting
offers insight with latest
employer survey

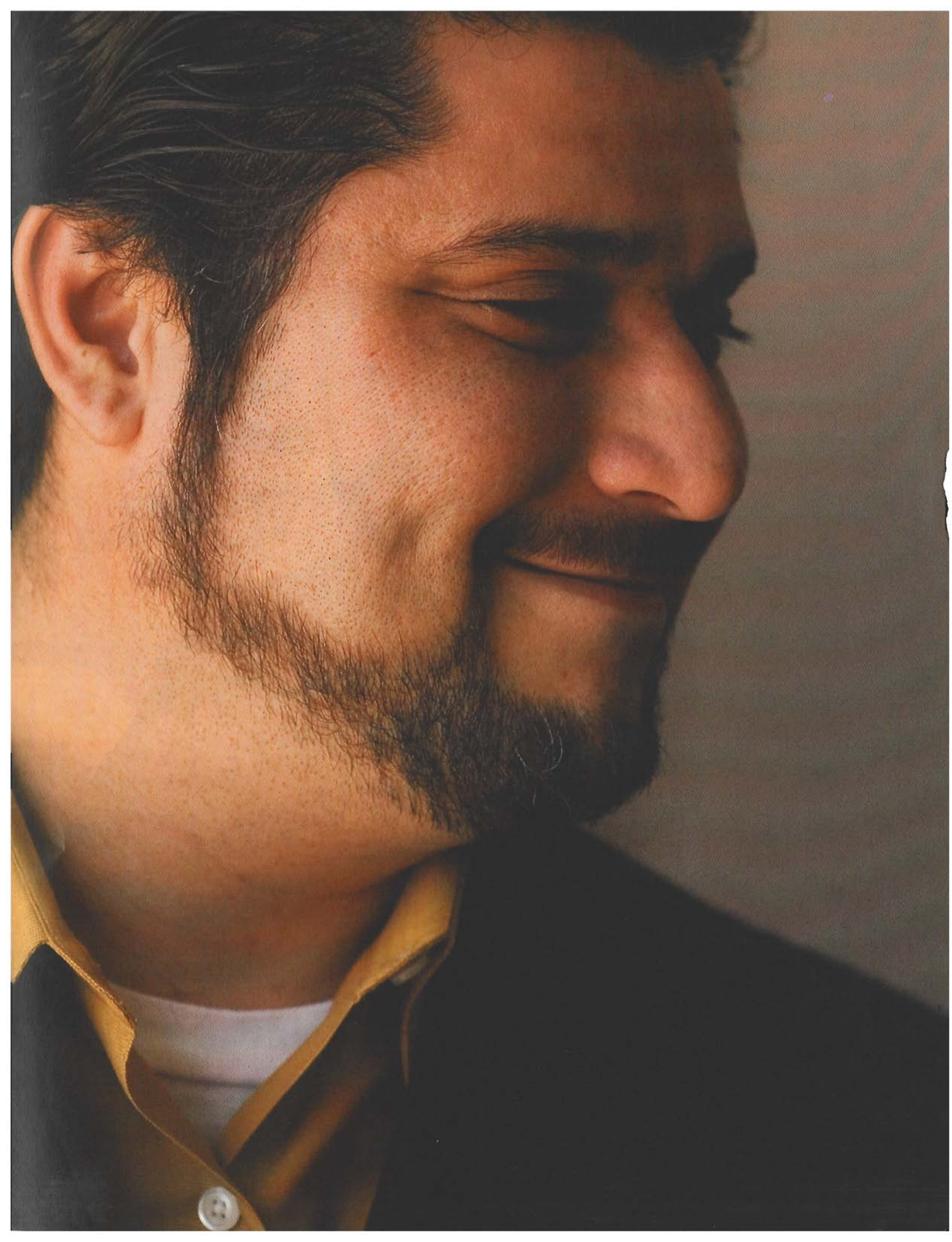
Package deals
Changing client
needs demand new
product designs

Source list:
45 dental
providers

Old school strategy

Jesus Bustillos is a die-hard life and disability insurance agent who preaches the value of establishing an income foundation for employees.





Old school PHILOSOPHY

‡ Interview by Denis Storey • Photographs by John Beckett ‡

**JESUS BUSTILLOS MIGHT
LOOK YOUNG, BUT HE
STICKS TO THE PROVEN
FOUNDATION OF LIFE AND
DISABILITY OFFERINGS
WHEN WORKING WITH
EMPLOYEES IN EL PASO**

Jesus Bustillos has been selling ever since he can remember. He debuted with ice cream before moving into insurance at the tender age of 18. After putting in his share of years as a captive agent he and his wife broke away to start their own agency — Plans for Life in El Paso, Texas, in 1999. At 31, he's almost certainly one of the youngest agency presidents in the business today. >>>



lot of them refer to the 800 [phone] number. A lot of them refer people to dealing with the home office. And while their intentions might be in the right place, dealing with somebody 800 miles away just doesn't have the same feel. So we do as much of the claims service, as much of the policyholder service changes, deduction administration, as much as we can in house so that we give the client that feel that it's us that's taking care of them. So we really do what we can to build that relationship with the client.

BS: *So if I'm a non-Hispanic broker and I want to target the Hispanic market, what's the best thing I can do?*

JB: Learn Spanish. And learn not just Spanish, but formal Spanish, informal Spanish, situational Spanish. To be effective in different situations when things are really serious and when things are not so serious, you've got to be able to roll with those changes. With regard to Hispanics, they are no different than everybody else in the sense that they can pick up when someone's not genuine.

BS: *What are the most important lessons you've learned?*

JB: No. 1 would be surround yourself with good people you're going to be able to trust and who are going to help you grow your business. No. 2 would be: Don't put all your eggs in one basket. Find multiple carriers to work with, good, solid companies you can place a lot of faith in that are looking for business partners and that will respect you as you respect them. ■



FOR MORE INFORMATION

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BS: *What's your focus?*

JB: We are a full-service life and health insurance agency. We market specifically to businesses in the group health and voluntary markets with a keen interest in disability and life insurance. And when we can work with a group on medical insurance and put the whole package together — group GI, life insurance, dental and LTC, and retirement planning, we'll do all of it. But for many groups in this region, it's just a voluntary program they'll work with, worksite benefits. And that's the extent of it because they're not doing group health insurance.

BS: *Would you say that your business is really made up more of the voluntary side of things just as an evolution of the market?*

JB: I'd say at least close to 50 percent of our revenue is from voluntary benefits.

BS: *Your primary market is smaller group businesses, is that right?*

JB: Our largest group has been about 4,000 employees. And our smallest group has been two.

BS: *So what's your strategy when you go to sell to a new business or an employee?*

JB: We do what we can to be objective and fair and analytical. We help them put things in the right perspective so employers will weigh the cost of having coverage versus the cost of not having coverage. We help give practical, actionable advice. And we do that with the business owner just the way we would with an employee but what we've found is that for most people when dealing with these types of products, they hear different messages from different agents. We are old school in the sense that we're die-hard life and disability insurance agents. That's what we are. We believe very strongly that life and disability insurance are really a foundation for securing an income. And cancer insurance,

accident insurance and supplemental health insurance, while good products, are very useful and should be considered part of a portfolio, but I don't feel they are essential. After somebody gets disability and life insurance they really need to look at health insurance. Then they need to look at saving money and building a foundation from where they can grow in the event of emergencies, and not have to use credit. We really try to take a very basic financial planning approach without having to get into financial planning. But we try to make it as basic as we can so it makes sense to the individual. So most of the time when you put that all into the right perspective, it's a very easy decision for people and they're OK spending \$5 or \$10 or \$20 or \$30 a week for voluntary benefits.

BS: *You sell to a lot of PEOs?*

JB: We actually have three clients that are PEOs.

BS: *How is that different from selling to regular business?*

JB: Well, the PEO market is unique in that you plug into multiple employers at the same time but you have to be very careful and sensitive to different enrollment conditions and different situations with regard to every client company. While you have access to the entire group through the PEO, the PEO is the first-tier client. The client company is the second-tier client. And you have to be considerate and coordinate both of those interests along with yours just so you can manage the relationship well. A lot of people don't understand the dynamics between the relationship that the PEO company has with the client company. They take a lot for granted and might offend the client company. We also understand the dynamics because we're brokers of staff leasing as well. Since we sell staff leasing, we understand the intricacies of the relationship and have

been able to capitalize on the relationships that are developing between the leasing company and the client company and thereby have been able to sell well in that environment.

BS: *Would you agree that for most of your average employees, you might be the only financial advisor they will ever have?*

JB: Yes, especially in our area. We don't have a lot of high-income earners in this region and it's just not often that they'll have someone sit down and give them some practical financial advice.

BS: *There's certainly a market for that.*

JB: Most definitely. It depends on different factors, such as income and, and level of sophistication, whether or not they'll even understand what a variable universal life [policy] is. So the suitability of the products is a big deal. We do what we can to not sell term insurance in groups. We've just found that the permanence of the policy is a big deal when it comes to somebody who's not very sophisticated about buying life insurance. So the higher the likelihood the policy will stay in force because there's cash value, the better long-term for them and the better long-term for us. So we try to stay away from selling things that are going to be easy to lose. And permanent life insurance just seems to be the right match for the market.

BS: *Would you say disability insurance is one of the more successful voluntary products out there right now?*

JB: I don't see it being sold very often. We see accident insurance marketed like it's going out of style. And it's unbelievable that not more people stop long enough to think about what they're buying. Accident insurance could be quite useful but there comes a time where it's just the wrong product. And I feel as though sometimes

the insurance agents who focus too much on ancillary or supplemental products don't really have the client's best interests at heart when they're selling it because they're just trying to sell a policy. And that's really what I feel distinguishes us from a lot of other agents who sell voluntary benefits. We focus on life and DI while we could broker the other products. We choose not to because if a client doesn't have life or disability insurance and they've got kids or they're married or they're buying a home or they're still living with their parents or whatever, that income isn't guaranteed or insured until they have life or DI. So if somebody's buying accident or cancer, it's just money down the drain. It's impractical.

BS: *Your area has a large Hispanic population and it's obviously a growing segment of the society now. How are the carriers responding to this?*

JB: Carriers are being more responsive slowly but surely. Seventy-five percent of El Paso is Hispanic. The response of the carriers is increasing. But it's been slow.

BS: *So what more could they do? What could they do better at this point?*

JB: Get out there. They need to get off their asses and move more quickly. It's one of those things that those carriers that respond well to different changes, especially with regard to trend or culture, are the ones that grab hold and anchor themselves in. And there are some carriers that are doing that. And there are some carriers that just move like frozen molasses in making those changes. Those that are more responsive are very easy to work with. They do a good job. There are some carriers out there that think they can just keep doing and maintain the status quo and that they'll be doing just fine. It's usually not until five or 10 years later that they look up and wonder why their

rankings are so far below, the norm, that they wake up from the situation and start making changes. But again, they're still behind the curve.

BS: *How is it different dealing with the minority market?*

JB: When it comes to Hispanics, non-Hispanic agents that are out there who are enrolling in groups don't have any higher percentages of penetration because they don't connect with [the employees]. But we really get down to the nuts and bolts of how they speak. If we're visiting with a construction company, you've got to learn construction Spanish. You know, it's not regular, plain-old, vanilla-flavored Spanish. It's construction Spanish. If you're visiting with an engineering firm and those people have backgrounds from the interior of Mexico, you're going to have to learn or speak a more formal

Spanish to connect with them, for them to know that you know what you're talking about, for them to respond to you. And that's something a lot of people don't have to worry about that are not Hispanic. Because English is English.

BS: *Is this all part of the customer service aspect of this business.*

JB: As an agency, we pride ourselves on really doing everything we possibly can, whole-heartedly to achieve as high level of customer service as we can. In fact, I think we do more than we need to. Sometimes, I think that's crippling. But we're growing in our business. This is our seventh year, and we're learning what to do better. I look for problems because that's where I know we need more attention. And that's one thing that definitely sets us apart from other agencies, because a

