APWU HEALTH PLAN

Selling the Value of The APWU Health Plan

2014 Open Season Seminar
Presented by: Chris Pratt, VP – The Summit Group



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So Why Are We Here?



- Review the Behavioral Model for High Performing Sales People
- Review the Flow of an Effective Sales Conversation
- Practice Engaging with Prospective Health Plan Members
- Practice Effective Questions to Determine a Prospective Health Plan Members' Needs
- Link the Elements of the Plan to the Prospective Health Plan Members' Needs
- How to Effectively Overcome Objections When They Occur
- Have Some Fun!!!

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Session Agenda

- Review the Behavioral Model for High Performing Sales People
- Review the Value Selling Tools
  - Them-Us-Fit-Proof
  - Stages of a Sales Conversation
  - Effective Questioning Techniques
  - Describing the Value of the APWU Health Plan
  - Value Statements
- Handling Objections
- Objection Handling Exercise
- Role-Plays

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How Do You Define “Selling”?

“to persuade or induce someone to buy (something)”

Good and Bad Sales Behaviors

Bad Behaviors

- Pushy
- Arrogant
- Talk too much
- Don’t listen
- Didn’t “do their homework”
- Try to sell what you don’t need
- Don’t know products
- Only care about themselves
- No follow-up

Good Behaviors

- Be interested, not interesting
- Empathizes with prospective member
- Humble
- Not pushy
- Ask good questions
- Great listeners
- Know their product
- Explains how the plans meet prospective member’s needs
- Good follow-up

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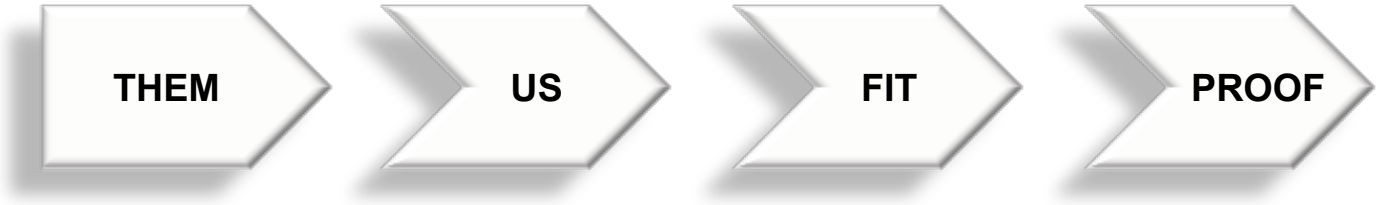
Value Creation Thought Framework™



What do the prospective members care about?

- What are their critical healthcare issues?
- What is most important to them about their coverage?
- Who do they also support ?

What does the APWU HP have?

- High Option Plan
- Consumer-Driven Plan

How does the APWU HP IMPACT what they care about?

How do you explain this value and support it with relevant examples?

- Prove it!!!!

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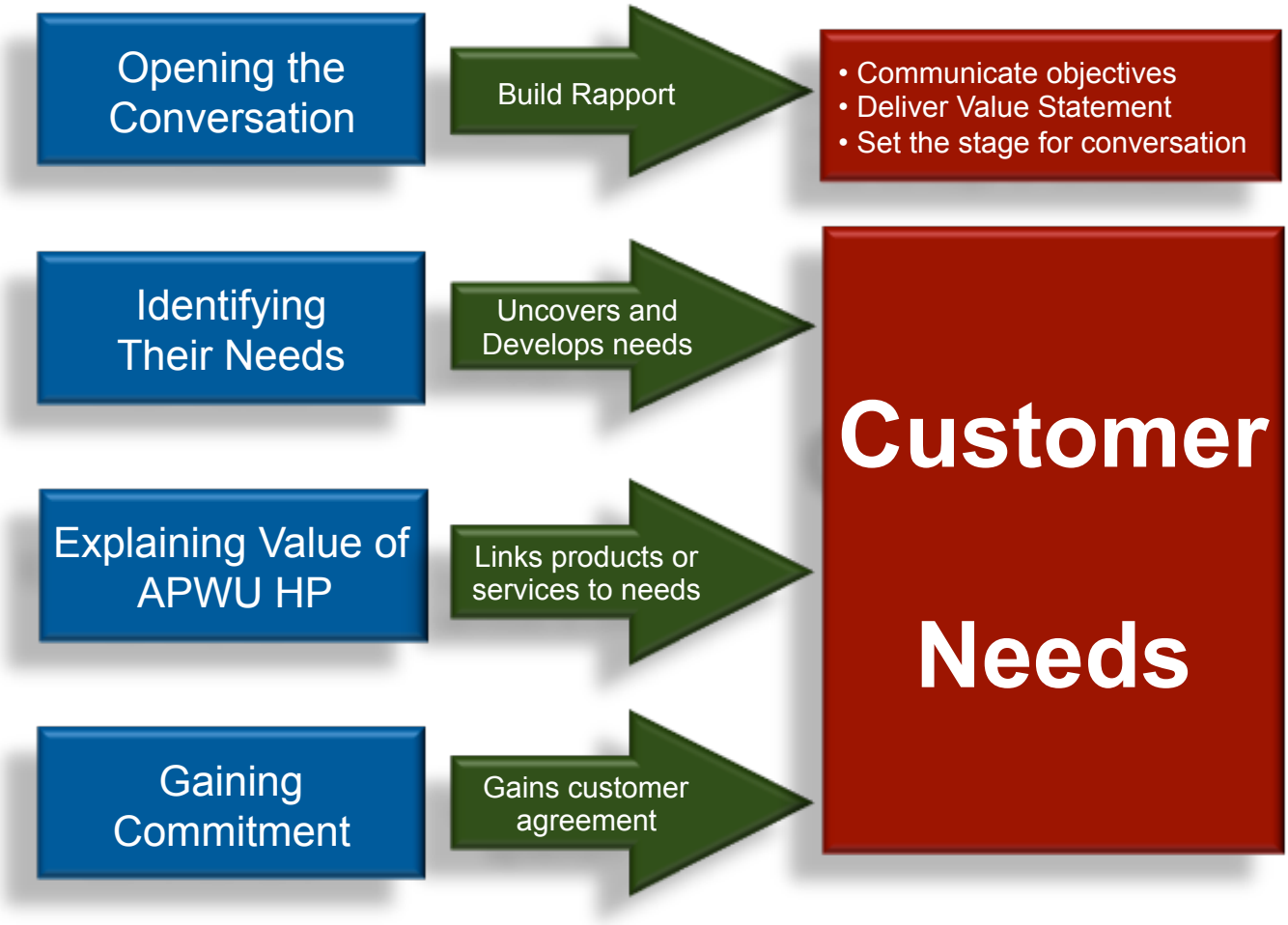
The Flow of the Sales Conversation



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Keys to Effective Questioning

- Prepare categories of questions in advance
- Don’t create a list of questions
- The question AFTER the answer is the MOST important question
- The secret to effective questioning is *active listening*



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Questioning for Results

Authentic Questioning



- Open-Ended
- Close-Ended
- Reflective / Follow-on / Qualify

Authentic Closing Techniques

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Types of Key Questions

<u>Open Ended</u> - Solicit multiple word answers

- Who, What, Why, How, Where, Describe
- "What are the important elements of your current healthcare coverage?
- "What sort of health-related issues do you think might come up in the next few months?"
- "How would you describe an ideal healthcare plan for you and your family?"

<u>Closed Ended</u> - Solicit "yes" or "no" answers

- Is, Does, Can, Will, Do, Would, Could….?
- "Do you need coverage for kids out of college?"
- "Is it important for you to have prescription coverage?
- "Do you have a co-pay with your current plan?"
- "Would you like to have wellness programs as part of your coverage?"

<u>Reflective / Follow-on / Qualify</u> - Solicit clarity to answers

- Asked in response to prospective member's answer
- Prospective member can think, consider, expand their answer
- "What else can you tell me about that?"
- "What else is important about this?"
- "If I understand you correctly…"
- "So you mean…."

When is this most important in a conversation with a prospect?

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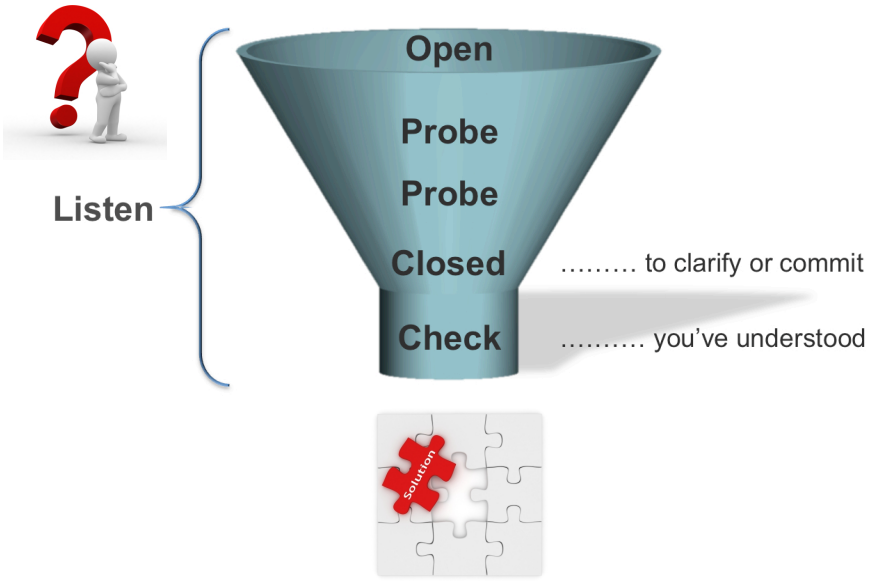
The Flow of Questions

The Funnel



The Rule of Five "Why's?"

- "Why?"
- "Why?"
- *"Why?"*
- **"Why?"**
- **"Why?"**



Conversation, Not Interrogation

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Describing the Value of the APWU Health Plan

- What is the specific benefit of the plan?
- What value does the benefit create?
  - So What?
- Who cares about that?
- How do you describe the value it creates in a compelling way?

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APWU Health Plan Differentiators for 2014

- Maternity covered at 100%
- Preventive care and screenings covered at 100%
- Secure online access to health care data
- Almost 1 million providers
- Get care nationally and abroad
- No referrals needed
- High Option Plan
  - Office visits (including specialists) $18 copay*
  - Urgent care centers $40 copay
  - Use LabCorp and Quest Diagnostics for 100% coverage
  - Diabetes and hypertension covered at 100%*
  - Routine dental covered at 70%
- Consumer-Driven Plan
  - No upfront deductible and copay
  - Diabetes Management Program
  - Healthy Pregnancy Program
  - Healthy Back Program

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APWU Health Plan Directly Supports the Union

- For the 2013 contract year, the Health Plan delivered a payout of over 8.8 million dollars to the APWU Treasury and 8.4 million dollars in the previous year.
- Over the last five years the Health Plan's contribution to the Treasury has been about 38 million dollars. This payout is mainly due to membership levels and the Health Plan's efficiency with its operations.
- And because of this advantageous position, the Office of Personnel Management (OPM) has been providing the Health Plan with a service fee (union payment described above).
- No other FEHB carrier provides the APWU with this type of monetary payback. This is your Health Plan working for you!

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Effective Value Statement

- Sets the stage for the conversation
- Encourages them to open up with you
- The other person forms their opinion of you within 30 seconds
- Describes type of impact that the APWU Health Plan can have on their key concerns
- Basis for instant credibility
- Well-rehearsed, but natural

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Create a Compelling Value Statement

Their Healthcare Issue	What APWU HP has	Impact

- Identify customer issues
- What could APWU HP potentially offer?
- Describe impact in 1-3 word phrases
- Prioritize and order the impact phrases

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Value Statement Formulation Template

Their Healthcare Issue	What APWU HP has	Impact
Value Statement		

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Value Statement Example

Their Healthcare Issue	What APWU HP has	Impact
Strong supporter of the APWU	Increased membership and efficiency	2013 Payout of over $8.8 million to the APWU treasury
High blood pressure	Hypertension Management Program	Get blood pressure back to desired 120 over 80
Premiums up 10% with current provider	Competitive rates for High Option Plan and Consumer Driven Plan	Reduce healthcare costs by $X Put $X in your pocket
“With the APWU Health Plan, we can help you get great healthcare coverage AND directly support the union. For the 2013 contract year, the Health Plan delivered a payout of over 8.8 million dollars to the APWU Treasury and 8.4 million dollars in the previous year. Over the last five years the Health Plan’s contribution to the Treasury has been about 38 million dollars. This payout is mainly due to membership and the Health Plan’s efficiency. No other FEHB carrier provides the APWU with this type of monetary payback. This is your Health Plan working for you! In addition, we can help you get your blood pressure back to your target of 120 over 80, protecting you and your family from the dangers of Hypertension. And we can reduce your healthcare costs by $X per month, putting that money directly back into your family budget. We can provide all of these benefits through programs like Weight Management and Hypertension Management, which are part of the very affordable APWU Health Plan.”		

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Making Introductions –

That Awkward "First Hello"

- Introduce yourself to the prospect
- Explain that you are the Health Plan Rep
- Value Statement like this:
  - "Generally, we find that Postal Service employees are concerned with getting the best healthcare possible for their families and the best price. And, as union members, they are concerned with supporting the union. The APWU Health Plan does provide great coverage for our members and their families at vary affordable rates. And we put money right back into the APWU Treasury. Now, to make sure how our plans best fit your needs, I'd like to find out specifically what your health care needs are. Is it OK if I ask you a couple of questions?"
- Transition into questioning

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Handling Objections

	What to Do
Probe and Listen	Use Questions
Confirm Understanding	Rephrase and Probe
Prepare Customer for Answer	Empathize "If…, Then…"
Answer Objection	Persuade the Customer
Take Action	Follow up

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Handling Objections Example

Prospect: The plan sounds good, but I'm comfortable with my existing plan.

HPR: What is it that you are comfortable with?

Prospect: Well, I think my existing plan has a more extensive network of providers.

HPR: Why is that important to you?

Prospect: Very important. My daughter has bad allergies and asthma. We have a great respiratory specialist who takes care of her. I don't want to be in a situation where she wouldn't be able to see that specialist because he's not in the coverage of my insurance.

HPR: So, it's really an issue of whether your daughter's doctors are in our network, specifically her specialist, right?

Prospect: That's right.

HPR: Well, that makes perfect sense, especially for someone with the situation like you have with your daughter. If I can relieve that concern, then would you be comfortable going with the APWU Health Plan?

Prospect: Yeah, if our doctors are in your network, I think everything else looks good.

HPR: Well, we have a network of over a million doctors and providers. Chances are, your daughter's specialist is in the network. To make sure, if you could give me your daughter's doctor's name, I will check to see if he's in there. If not, we can easily begin the process to get him in there. Once I know about the specialist, I will get back with you. How does that sound?

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ACTIVITY: Handling Objections

1. You will work in groups for this exercise.
2. Each group will be assigned a typical objection that HPRs encounter when talking to our customers.
3. List three or four questions that you would ask a customer to better understand the objection.
4. Decide what your response would be to each of the objections.
5. Post your output on the following page in the workbook and on your flip chart.
6. Be prepared to discuss your decision with the group.
7. You have 15 minutes.

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ACTIVITY: Handling Objections

1. Assigned Objection: _____
   _____

2. Questions that you would ask a customer to better understand the objection.
   -
   -
   -
   -

3. Effective response to this objection
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ACTIVITY: Role-Play Exercises

1. You will now have an opportunity to practice selling the Health Plan to prospective Health Plan members.
2. You will work in two-person teams for this activity, so pick a partner to work with.
3. On the next few pages of your workbook, there are three Role-Play Scenarios. Each scenario contains two pages of information. One is for the person playing the role of the prospective member, and one is for the person playing the role of the Health Plan Representative.
4. Chose one of the scenarios. Decide which of you will be the HPR and which will be the prospect.
5. Read the appropriate information.
6. Role-play the sales situation, using the techniques we have covered in this session.
7. The focus of the role-plays is to practice overcoming objections. So, when the prospect gives you an objection, make sure to follow the Objection Handling Model.
8. When you have finished, pick another scenario, reverse roles and role play again.

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Role-Play Scenario 1

The Break Room - Health Plan Rep Role

Prospective Member Name: Paul

One of your coworkers is named Paul. You have been working at this Postal Service facility for 18 years now, and Paul was here before you got here. Paul is a great guy. You know that Paul is a member of the union, but he does not always attend union meetings. You have met his wife and kids at family events organized by the Postal Service. You recall that his wife was always a heavy smoker. You are actually surprised that Paul is not already using the APWU Health Plan, so you want to meeting him in the break room at lunch time to discuss this.

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Role-Play Scenario 1

Walk Around List - Prospective Member Role

Prospective Member Name: Paul

You are 41 years old and have worked for the Postal Service for 21 years. One of the best things about working for the Postal Service is the benefits. When you talk to your friends and neighbors, you get a clear picture of how great the coverage is and how little you have to pay out of your pocket. You have always worked at this facility. You are a union member and support the union very strongly. You had your health insurance with APWU Health Plan about 10 years ago. The support and service was so bad that you switched.

You have always been in good health, and have tried to take care of yourself. You played a lot of sports when you were young and managed to avoid any serious injuries. Your wife is not so lucky. She used to smoke, but you convinced her to try quitting. She has tried several times, but can't quite seem to make it. Three months ago, she had a physical examination and your family doctor said she is seeing early signs of heart problems. You are concerned that your current health insurance might not provide the coverage that your wife will need if things continue.

Initial Objection: "You're not going to get me to sign up for the union's health plan. I support the union, but their health coverage is not any good."

Real Objection: I had coverage with APWU several years ago. I had huge problems with you guys processing and paying claims. My doctors would call me about paying the bills. I could never get anybody at APWU Health Plan to fix it. I was getting calls from collection agencies.

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Role-Play Scenario 2

The Walk Around List - Health Plan Rep Role

Prospective Member Name: Mary

One of the names on your Walk Around List is Mary. She has worked for the Postal Service for over 30 years. You worked directly with Mary many years ago. You know that she has a daughter that should be about finished with college, if you remember correctly. Since Mary is not currently using the APWU Health Plan, you want to talk to her about it.

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Role-Play Scenario 2

The Walk Around List - Prospective Member Role

Prospective Member Name: Mary

You are 54 years old and have worked for the Postal Service for 31 years. You are a loyal member of the union and have always tried to be supportive of union programs. You have a 22 year old daughter who just graduated from college and is about to start graduate school. You thought you were finished with college costs when she graduated, but now she is going on to get her Masters and is talking about a PhD. You want to be able to help her as much as possible with tuition and other costs. This means continuing to live on a tight budget. You want to be able to carry the best health insurance plan, but without spending more than you need to. Your health plan is currently with another health insurance provider. Your monthly premium is $192.68.

You are glad that the Affordable Care Act lets you keep her on your insurance until she is 26. When she was 9 years old, she was diagnosed with Type 1 Diabetes. You have always made her treatment a priority. You think that her Primary Care Physician and the specialists she sees are all fantastic. When it comes to health care coverage, being able to keep going to those doctors is your number one issue. You will not switch to another plan if it means you lose those doctors.

Initial Objection: I just don't think that the APWU Health Plan offers me the same value that I get with my current provider.

Real Objection: You have been told by other people that the APWU Health Plan does not have as rich a network of providers as your current plan. Keeping the doctors for your daughter is critical for you.

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