

Episode #247: 6 Answers to Our Most Popular Licensing & Contracting Questions

Video Transcription

Thank you for attending today's episode of "Money Script Monday." My name is Sara Sullivan, and I'm the licensing and contracting manager over here at LifePro Financial Services.

I've been with the company for a little over 19 years, and I've been doing licensing and contracting for around 12 of those years. So whether you've been with us for a while now or are a brand new agent, hopefully, I can bring some of that knowledge to you in a clear and concise manner.

Today, we're going to discuss the six answers to the most common licensing and contracting questions that we receive on our team, some of which are asked on an almost daily basis.

Though you may not think of licensing and contracting as fun, I like to make everything fun. I hope you'll stick around, especially for the last two questions, which I'm asked quite often.

Number one, "How do I become contracted?" Most times you will just start with your FSR or your field support representative. They are going to be your home base and the main point of contact.

They can go over your goals, your business model, the types of products you're interested in selling, etc., just to make sure we're all on the same page. Then our contracting team will send off instructions for SureLC or SuranceBay, which is the third-party online portal that we use to contract producers.

With that, we will fire off three internal DocuSigns that must be filled out, one of which is our LifePro Producer Group Agreement.

That offers elevated compensation in most of our carriers, access to our bonus program, the ability to utilize our E&O discount that we've arranged through NAILBA, and several other perks. We take care of all of the follow up until your agent code is issued.

Our goal is just to make sure that everything is as easy and streamlined as possible for you so that your time is freed up for selling instead of worrying about your contracting.

If any additional information is required from the carrier, we will work with you to get that taken care of. And we have devoted teams and partners at the home offices that help us expedite the process.

Number two, "What if I already have a SureLC account through another FMO?" That is totally fine. Actually, that makes it easier for you more often than not. However, you must create a new login through a LifePro-specific link that has a 326 on the end of the URL. You can use the same email address, but the password you create must be different.

Many producers are concerned that if they create a contract request through their portal with LifePro, then the other organization they work with is going to be affected. But that will not happen.

The accounts will remain separate and the other FMO will not receive notice of contracting request or anything you do through your LifePro portal. Information stored previously to your other account will just copy over to your LifePro one. So if you have letters of explanation, void check copy, E&O, etc., all of that will stay put.

Number three, "How do I renew my license?" You will do that in the CERTCON site or an IPR for most states. I say most states because CERTCON does not offer all states, and, in rare cases, the ability to use an IPR may not be available to you.

If it isn't, please make sure to either ask me or check the State Department of Insurance for any quirks, like Washington, for example.

If you are renewing and the license has been expired for over a year, then you're required to renew through the actual Washington site. Lastly, complete your required continuing education hours and pay your fee. Many folks just pay the fee and do not complete their hours, which segues nicely to my next popular question.

Number four, "Who do you recommend I take my continuing education through?" I personally think that WebCE is the most user-friendly in the business. They have excellent customer service and records report to the state quickly and accurately.

On their site, they have a great summary of all CE requirements that are needed per renewal period in each state. When you call them, you don't have to wait long, and the staff really knows their stuff.

I always feel confident in their answers when I call them for clarification on a state, which is very often. Now, which courses should you take?

I always recommend as a life agent that you pick an annuity CE course, and many states have that best-interest suitability training that's been added to their requirements. Anti-money laundering training is always good to take as many carriers are requiring that you do that at least once every two years.

Long-term care training is a good one if you write IULs with LTC riders a lot. And lastly, three hours of ethics are required in many states. You can send me your certificates or upload them through the SureLC, or provide credentials in your SureLC portal and a neat little transcript of all your completed courses will download.

Moving on to number five, "How do I get my business licensed?" Increasingly, I'm seeing folks wanting their commissions to pay to their tax ID instead of their Social Security number. Keep in mind that many states have a name approval process.

For instance, California requires certain verbiage to be used, and they will allow you to submit two other backup names if your first choice does not get approved.

You'll need to submit articles of corporation, meeting minutes, a Statement of Information, or anything that shows you as the principal of the business, along with a copy of your void check for your business account.

A question I often get asked is, "What's the difference between LLC versus corp, and what are the advantages or disadvantages of each?" That would be an awesome question for your attorney or your tax person, that of which I am neither, but here's what I can tell you.

Where a lot of people choose to go with the corp is when they find out that many states require E&O for the business to license the LLC. And business E&O can be quite expensive. So I would say most folks I come in contact with opt for a corp over an LLC. That is just my experience, you do what is best for you as always.

Last one, number six: "How do I overcome my background items?" The best way is just to create a detailed letter of explanation with specifics, dates, and how you've worked to correct the situation. You may submit character letters for consideration by the carrier.

With regards to supporting documentation that you submit, the more, the better. Bankruptcy discharge, payment plans, court documents, or anything that you have regarding an item or incident is beneficial to provide up front.

Lastly, just be forthcoming and professional. Thoroughly check your letter for spelling errors and grammatical mistakes, put on a company letterhead, and just sign it. Think of yourself as the review committee and how they would judge you and the situation based on the packet you submitted. That's an awesome rule of thumb to follow here.

Sometimes you may be declined, which isn't fun, but there are carriers that offer an appeal process.

It really just depends upon the carrier. But that is where having the advantage of LifePro on your side comes in. The relationships that have been built by our company over its 36 years in the business allow us to work with carrier management for a possible exception.

Depending upon the issue, I can confidently tell you that most of the time, the situation ends in a nice approval for you.

So that's all for today. I hope you were able to take away some worthwhile tidbits from the session.

As always, if I can be of assistance with anything that you have questions about, please just email me at sara@lifepro.com, ssullivan@lifepro.com, or you can give me a ring at 888-LIFEPRO extension 3265.

I really encourage you to lean on us because that's what we're here for, and it's what we love doing.

So have a great day and thank you for your business.