

How to Position Hospital Indemnity Insurance

~~Supplemental policy
Fixed daily benefit~~

**Clients care about
what the product
does, not what it is.**

What it does

When it does it

Why their family would care

Not an extra



Cash Flow Protection



Medicare handles the medical bills. None of it handles the expenses that actually break families when expenses don't pause.

The Master Question

If you ended up in the hospital next week for four days, what would happen to the rest of your life while you were in there?

Stop pitching. Ask the question. Let it sit.

The Scenario Does the Selling



The moment they mentally picture the hospital bed, their brain catalogs the dominoes that will fall. You don't convince them. They do the work for you.

Navigating the Pushback

Well, my Medicare covers the hospital, doesn't it?

Agree

Yes, Medicare covers the medical bills (doctors, room, procedures).



Redirect

What it doesn't cover is being away from the rest of your life.



Illustrate

The mortgage and groceries don't pause. Your spouse still drives twice a day.

Hospital indemnity isn't there for the hospital bill. It's there for everything the hospital bill ignores.

The Three Structural Gaps



The Cost-Share
Gap



The Observation
Stay Gap



The Household
Income Gap

Listen for which gap matters most to the person sitting in front of you.

Gap 1: The Cost-Share Gap

For Medicare Advantage clients, hospital admissions trigger daily copays that stack up fast.

- **Pays cash directly** to absorb the hit
- No network constraints
- No waiting on reimbursement

\$300

per day for the first five days
(common MA plan hit).

Gap 2: The Observation Stay Gap

Inpatient

Standard classification, full inpatient benefits.



Observation

Client occupies the same bed for 2-3 days, but cost-share rules change and skilled nursing coverage can disappear.

A well-built plan pays the same daily benefit whether the stay is observation or inpatient.

Gap 3: The Household Income Gap



When one **spouse is admitted**, the **other spouse isn't at work**, running their **business**, or picking up shifts. Expenses don't pause. Cash replaces lost income, no receipts required.

Example

The Mrs. Patel Scenario



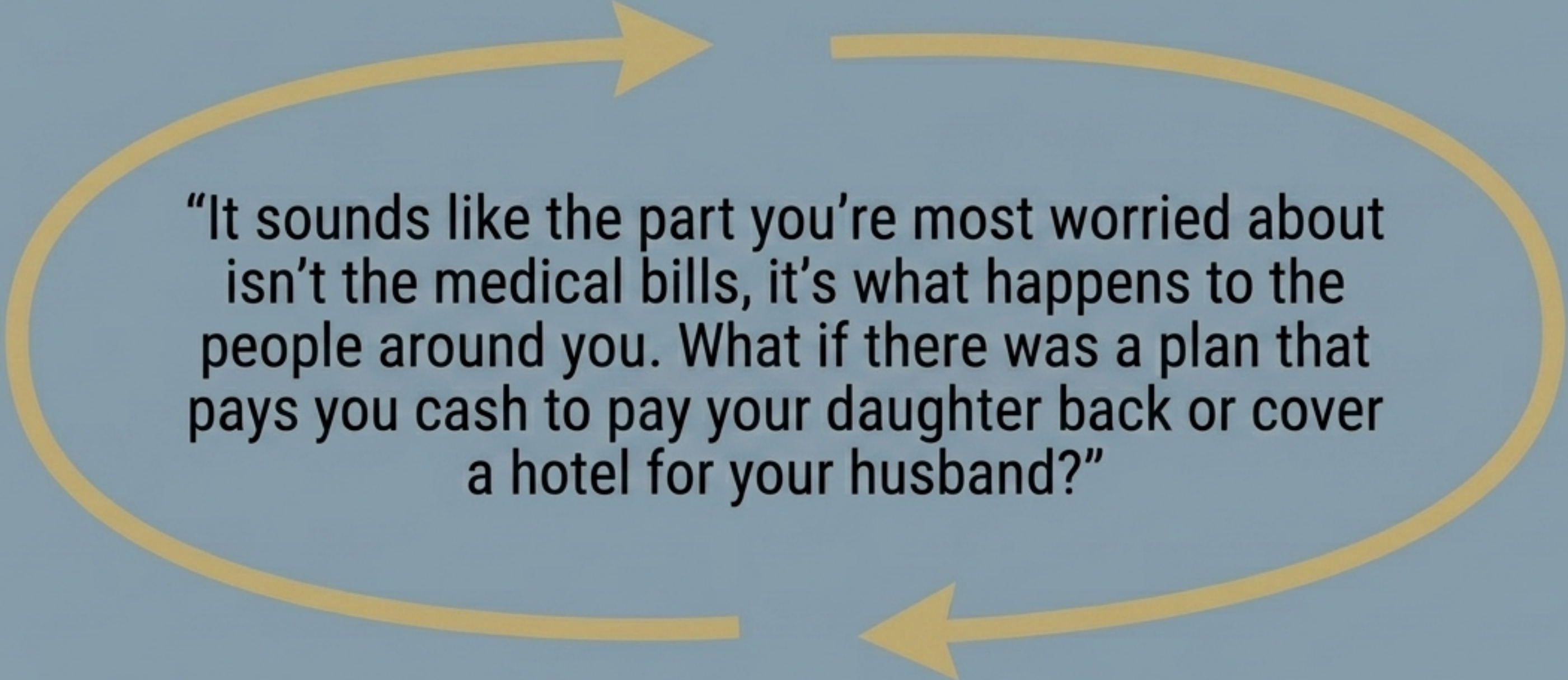
Just enrolled in Medicare Advantage. You take the bridge moment and ask the Master Question.

Husband doesn't drive at night

Daughter takes time off work ->
Single mom, major financial problem

You didn't sell anything. She just told you exactly why she needs the plan.

Earning the Right to Pitch



“It sounds like the part you’re most worried about isn’t the medical bills, it’s what happens to the people around you. What if there was a plan that pays you cash to pay your daughter back or cover a hotel for your husband?”

The scenario built the case. Now you’ve earned the right to show the specific plan.

Action Step

Tape It to Your Desk



Write the Master Question on an index card today.

On your next 3 Medicare appointments, after the app is signed, ask the exact question and just listen.

Do not pitch. Just listen. It will completely change your relationship with this product.