

## Building Referrals



In previous lessons, we briefly discussed a few of the more common referral sources that can be tapped by a new disability consultant. In this chapter we will attempt to expand upon this and introduce you to a few unorthodox referral sources not previously mentioned in our program.

As a new disability consultant, you must come to recognize the importance of referral source and how to take full advantage of the opportunities these sources present for your service. Sound easy? It is!

Every year consultant services in various industries collapse because the operator failed to recognize and understand the proper utilization of a referral sources. No matter what type of consulting service you are offering, the key to success lays in your ability to create and encourage referral sources. Referral sources should be cultivated simultaneously with your media advertising campaign.

It would be impossible for us to show you how to approach all possible referral sources in all possible situations. Therefore, we will approach the subject of referrals in terms of why a given source might refer clients to you. Understanding the motivation behind why a referral source will work with you will make it clearer as to the best methods you can use to approach these potential sources.

Before approaching any referral source, you must ask yourself the following three questions:

1. What is a referral source?
2. Why would the source refer anyone to me?
3. What can I do to encourage a referral source to actively refer clients to my service?

If you carefully consider each of the above three questions before approaching a referral source, you will almost always succeed in gaining their cooperation.

Do not underestimate the value of referral sources to your service, even if you have been in business for years. In fact, you will discover that the early years of your service will depend primarily on advertising. However, as your service matures, referral sources may make up to eighty percent of your client base.

Throughout the remainder of this chapter, we will discuss possible referral sources and attempt to briefly answer for you the three critical questions listed above.

Let's start by giving a general definition to question one. This definition should hold true for all referral source samples given in this chapter:

What is a referral source?

A referral source is any individual, organization, agency or business that acts to refer a person or persons to another individual, organization, agency or business for the purpose of supplying a specific service. These four categories of referral sources can each be broken down into specifically identifiable groups. As you can see, the definition above can encompass a large variety of possible referral sources that we will now discuss.

### Individual Referrals

An individual referral simply implies that the source of the referral is from an individual. Below is a list of referral sources that would fall under the individual referral category.

Client referrals.

Word of mouth referrals.

Attorney Consultant Cycle.

### Client Referral:

A client referral is any referral that is generated by a previous client of your service. Acquiring client referrals should be one of the primary goals of your newly established consulting service. Client referrals will most often occur after you have proven to that client via a successful handling of his case that you have the skills needed to do the job! From your very first successful case, you should begin using the client referral approach. Ask the client to supply a letter

of recommendation or some other form of testimonial that can be used later to generate business.

One of the most effective ways of doing this is to ask the claimant to record his feelings about your service on audiotape. A collection of these positive statements can then be incorporated easily into a presentation or commercial.

Winning cases builds trust and client satisfaction! However, even if you lose the case, your perceived commitment to the claimant will still have a very positive effect on the claimant's attitude towards your service. Building this type of trust will encourage loyalty to your firm regardless of the outcome of a case. Win or not, if your client feels that you have done your best, he will instinctively act as a positive referral source for your company. This fact should encourage you to always do your best for each and every client you represent.

What is it about a service that motivates a client to refer others to you? The answer to this question is simple. If your service supplies the support and expertise needed to give the client a sense of control, you have in no small way given that client a sense of psychological comfort and well-being. Even if the case is lost, the client will appreciate the fact that he did not have to face the ordeal of applying for benefits alone.

There are a number of things that you can do to encourage a client to actively refer others to your service. Your main responsibility is to understand the disability process and actively defend the client's interests without hesitation. These actions alone when sensed by the client will motivate him to refer others to your service.

However, there is no substitute for simply asking the client to refer others to you. At the end of the case, you will have a sense of the client's satisfaction level. If that level is high, as is often the case if benefits are awarded, then take full advantage and ask for a referral. You will be surprised at how many clients also know someone else who is considering applying for disability benefits.

Let the client know that you work for him! A successful consultant must recognize and understand the psychological needs of a person who is seeking disability benefits. You must try to relieve as many of the client's anxieties as possible. As stated earlier, if the client's psychological needs are addressed, win or lose, the client will harbor positive feelings about you and your service.

Never allow a satisfied customer to walk away from your service without agreeing to help spread the good news about your business. It does not take many satisfied customers to

ignite an explosion of business for your firm.

Another foolproof method of getting clients to refer others is by using a cash or gift incentive. Even the most shy among your clients will go for this approach!

Another useful practice for acquiring client referral is by using a service evaluation form. After your services are completed, ask the client to fill out a service evaluation sheet. No more than a single sheet! Try to get feedback from all clients win or lose by using this form. This type of feedback can supply you with extremely valuable information that can help you improve your service.

Offering a service evaluation form also tells the client that you do indeed care about the quality of your service and are actively seeking to improve it. Positive evaluations are also written testimonials demonstrating the effectiveness of your representational service.

#### Word of Mouth Referrals:

Word of mouth referrals are different from client referrals in that the person who is referring may not have directly utilized your service. Word of mouth referrals are encouraged by simply letting others know what your service offers. You would be amazed at the number of people who just happen to know someone who is applying for disability benefits.

You can start the word of mouth process by using every opportunity you have to talk about your service. Encourage those to whom you have spoken to speak to others. If you couple personal action with modest public exposure, your company can grow substantially by using the word of mouth referral method alone.

#### Attorney Consultant Cycle:

Many new disability consultants believe that they are in direct competition with attorneys for disability clientele. Nothing could be further from the truth! In order to reduce this predisposition of some new consultants to compete with attorneys, we have decided to share one of our most coveted referral secrets. We call it the attorney consultant cycle.

The purpose of the attorney consultant cycle is to create a referral source relationship between disability consultant and attorneys who are interested in

disability cases. We have found that consultants working with attorneys can actually benefit both parties enormously while increasing the quality of service provided to the client.

The attorney consultant cycle is created by establishing a referral agreement with an attorney. This is most often an informal agreement created on a basis of mutual benefit. Most attorneys who handle disability cases find them to be troublesome and time consuming. Only a small percentage of attorneys nationwide handle disability cases at all.

We suggest that a consultant structure approach that allows an attorney to refer cases at the initial, reconsideration or ALJ levels to the disability consultant. The disability consultant then refers any cases he loses at the ALJ level back to the referring attorney for representation at the appeal council level if appropriate.

The disability consultant's skills are different from that of an attorney and the consultant will know what cases are appropriate to refer back to the attorney. This system allows both parties to become involved in a disability case at different professional levels.

Attorneys interested in actually doing disability cases at a higher level will like this approach. Taking cases at only the appeal council level allows an attorney to enjoy increased fees, previously structured cases, your case input at no cost and the added professional challenge of representing cases at the appeal council level.

If an attorney wins a case at the appeal council level, he may collect up to twenty five percent of the client's back benefits as is true of the previous levels. This situation could be a substantial windfall for an attorney with limited interest in representing disability cases.

The advantage to the consultant lies in the fact that there will always be a greater number of referrals from the attorney than to the attorney. This is true because not all clients will want to appeal their cases all the way to the appeal council level.

From the consultant's standpoint, having a number of attorneys referring disability cases to your service will allow it to grow rapidly. Think of the added credibility your service will enjoy, by being able to directly recommend an attorney for a client who wishes to pursue his case further. If the client agrees, we also recommend that you send all supporting information to the attorney

you have recommended, as an added support for both the client and the attorney. The attorney consultant referral relationship approach alone can quickly build your company into a dynamic consulting service.

If you decide to use the above attorney consultant referral method, be prepared to point out the benefits of this system to the referring attorney. Once the attorney understands how this system benefits him, you will have much less trouble getting his cooperation.

It is also an effective practice to refer a client to an attorney first. Be sure the attorney is aware that the source of the referral is you. Supply the attorney with a written evaluation as a courtesy. Make it easy for him! If he makes money, he will remember you, making it much easier to later form a working relationship. This approach acts to subconsciously tie the attorney into your cycle by allowing him to reap the benefits first. Do not attempt to use this system until you have established your service and are comfortable with the service you are offering.

#### The Attorney Partnership approach:

If an attorney is interested in representing disability cases on the first three application levels, you must use a different approach than described above. Instead of offering to take the case, offer the attorney the benefits of your knowledge in the form of a case assessments or case evaluations.

In a case assessment, you are offering the attorney a chance to have the case reviewed by you for a very small fee of lets say \$45.00. You can determine quickly what the percent chance is of winning the case and provide this information to the attorney. If the chances are low, the attorney can then turn down the case without wasting his time. His cost, \$45.00. Believe me, his time is worth far more than this fee, so he will be glad to accept this service.

Generally, with a case evaluation, the attorney has already taken on the case. You offer to do a full written evaluation of the case to determine the best winning strategy. You then supply your analysis to the attorney. This can save the attorney valuable time, speed up the case process and show your superior knowledge of the SSA disability process. We suggest that you charge the attorney from \$150 - \$450 depending upon your location. Charge a higher fee if the attorney insist on a fee that is based on case outcome.

## Organizational Referrals:

One of the most effective ways of introducing or expanding community awareness of your consulting service is through the use of organizational referral sources. Specifically, organizational referral sources are any non-governmental organizations or agencies designed to meet the needs of a particular constituency. In this case, disabled or potentially disabled citizens.

The most common organizations falling into this category are religious, ethnic, advocacy and special interest organizations. The number and types of these organizations are enormous and should be used by all budding disability consultant services. A list of these organizations can be found in your local library, through the Chamber of Commerce, or by contacting one of these groups and asking for the names of other similar organizations.

Approaching these groups is easy because you are only asking for referrals as a means of helping the organization's membership. There is no cost to them and there is no cost to you for these referrals. Most organizations involve themselves at some level of advocacy work for their members and will be happy to learn about your unique service. We suggest that you contact these organizations by mail or in person and offer to give a presentation about your service at a membership meeting. Many of these organizations will jump at the chance of having a free presentation on an interesting subject that may help some of their members.

The following is a general short list of a few referral organizations you might want to contact:

- United Way
- Crisis organizations
- Local churches and church organizations
- Clubs: Knights of Columbus
- The Masons
- Veterans organizations
- Advocacy organizations
- NAACP
- Urban League
- Jewish organizations
- Asian organization
- American Cancer Society
- Female advocacy groups:

National Organization for Women, etc.

### Agency Referrals:

Agency referral sources are any governmental units or agencies that work with populations that may have a large number of persons in the disabled category. There are a large number of governmental agencies in most American cities that fall into this category. To locate these agencies you need only to look in the government section of your telephone book. You will find a number of these agencies that may be effective referral sources for your service.

To contact these sources, ask to speak to an agency grunt or line person. A line person is usually a professional who actually works directly with the disabled client. The reason for this is simple! The line worker can easily refer a potential client to you without complications because he knows when and if your services are needed. Supervisors do not work directly with clients and are more concerned with maintaining regulations or policies.

Set up a meeting with a line professional to explain your service. Ask for ways in which your service might enhance the agency's objectives. Ask that you be allowed to place a card display in their lobby or give the line person a handful of your cards. Do periodic reminder calls to the line person after your initial meeting. If the agency person actually refers someone to you, send a thank you card or letter even if the relationship with the client does not pan out.

Government agencies such as state vocational rehabilitation services, work directly with disabled clients on a daily basis. Often, the rehab professional knows that his client is not a good candidate for work and should apply for disability benefits. State vocational rehabilitation is a must agency to contact. Remember, contact one or more line professionals, not supervisors! You can also locate other agencies via your contact with vocational rehab. Ask a line professional to list other agencies in your area that deal with the disabled. Contact those agencies using the same approach as above.

Private vocational rehabilitation agencies will also be interested in your service. Private rehabilitation agencies try to get people trained and prepared to return to work. However, these private agencies will usually experience a small percentage of failures. These failure cases, if placed on SSA disability benefits, may save a sponsoring business or insurance company thousands of dollars by offsetting benefit payments paid to the client by SSA. Private rehabilitation agencies can be located via your telephone directory or ask for a list at the



State vocational rehab office.

State welfare offices may also prove to be a good source of referrals. Again, try to contact a counselor who may be willing to refer clients to you. To our knowledge, there is no law that states that you cannot offer the counselor some form of compensation for his/her trouble. Do not offer cash! Perhaps a thank you note or football tickets would be more appropriate for a government worker.

If at all possible, try to meet as many disability determination section (DDS) employees as possible. Although they are government workers, Disability Examiners work directly with disability cases and may be an outstanding source of referrals for your service. Keep this approach very quiet as the examiner may not have the freedom to refer cases in an outward fashion.

Since these examiners work directly with SSA disability cases, do not offer them any form of compensation for referrals. In the normal operation of your consulting service, you will have the opportunity to speak with and perhaps meet many disability examiners. Be as friendly as possible with these individuals and perhaps on occasion they will make your service known to clients who have been denied benefits.

Most examiners are extremely overworked and are secretly looking for other opportunities. If your service grows as a result of their help, let the examiner know that you are interested in perhaps bringing them into your service at some later date. This may act to encourage many referrals that would otherwise have gone untapped.

As you can see, it is possible to use the government itself as a means of expanding your disability consulting service. Do not allow your self to be intimidated by these government agencies and take full advantage in an ethical fashion. Use them as you would use any professional referral source.

#### Business Referrals:

One of the most commonly overlooked referral sources for newly emerging disability consulting services is the business referral. A business referral source is any business that works with or targets it's product line to the disabled market. Any business that sells items such as wheelchairs, electric beds, and other special therapeutic products are good referral candidates. Business sources can be one of the most dynamic sources of referrals, second only to

direct advertising.

As with any referral source, when approaching a business you must give them a reason for bothering to refer clients to you. We have found that a mutually beneficial relationship between a consulting service and a vender can be developed. You must explain your service to the vender and point out the enormous number of clients who may have an interest in what the vender is selling. Offer to refer clients to the vender with the added bonus of a glowing recommendation. The vender will love this potentially new source of referrals for his company and may agree to do the same for you.

Ask the vender to allow you to place a business card display by his cash register. Also request a card or display from the vender to place in your business area. You will be surprised at how cooperative a business can be when there is a chance it might improve its sales. As in the attorney consultant cycle, try to refer a client or two to the vender first. This action will have the effect of psychologically obligating the vender to do the same for you.

Another little known and poorly understood business referral source is the private hospital. Insurance companies will only pay for a limited number of days in a hospital for a given condition and doctors simply aren't admitting patients as they once did. All of these factors have spelled trouble for private as well as public hospitals. Now, even Medicaid coverage is limited and this has been a major blow to public hospitals nationwide.

Many hospitals are forced to treat patients who do not have hospitalization insurance. The hospital will usually take a loss by treating these uninsured patients. Hospitals have discovered that they can slow down this financial hemorrhage in the cost of treatment by requesting that the uninsured patient apply for disability benefits.

Many hospitals are willing to pay a trained consultant who can get uninsured patients on SSA disability benefits. These benefits will allow the hospital to collect Medicaid payments on the uninsured patient. Helping to get an uninsured patient on SSA disability benefits could save a hospital thousands of dollars in losses.

Do not expect a hospital to pay you in advance for your services. Most hospitals that utilize the help of disability consultants will only pay if you win the case. Don't allow this fact to keep you from attempting to break into the hospital market. If you approach a hospital and they don't seem too interested in this concept, don't be surprised. Many hospitals have addressed the problem of

indigent patients by simply refusing to treat them or have placed experienced disability consultants on staff.

We do encourage you to approach hospital administrations and make them aware of your service. Making contact with hospitals is especially good in smaller rural communities where working with hospital administrations is much less formal.

Another little known referral source is the private insurance company. Major insurance companies throughout the country offer a policy known as long term disability insurance (LTD). You may have one of these policies yourself because they are extremely common.

What few people know about some LTD policies is that the amount paid to the policyholder if found eligible for SSA benefits, can be directly reduced by the amount of the benefit awarded. This concept is called offsetting and acts to reduce the amount paid by the insurance company by the amount the client receives from SSA.

Because of the huge amounts of money that offsetting can save an insurance company, many insurance companies will ask a client to apply for SSA disability benefits before they will release LTD benefits. Insurance companies are willing to pay hundreds of dollars per case to disability consultant service companies as a means of increasing the possibility of getting the client on SSA benefits.

As you can imagine, insurance companies who offer LTD's with offsets are more than willing to work with experienced disability representatives. Private disability consultants offer insurance companies a means of saving dollars that would otherwise have gone out to their claimants.

The following is a list of just a few of the major insurance companies who sell LTDs with offsets. Many of these companies already work with private disability consulting service companies in the manner discussed above.

Prudential Ins Co.  
CNA Insurance Co.  
Kemper Ins Group  
Mutual of Omaha

Finally, there is the mailing list approach. It is now possible to contact a mailing list company and request specific lists of those who may need disability

consulting services. Example, request a list of local individuals who have some characteristics that would lead you to believe that they might need disability representational services. Some of these characteristics are age groups (45-64), purchasers of medical equipment, medication list, disability insurance subscribers, local doctor's offices, physical therapist list, message therapist and the list goes on!

Keep in mind that any source that either directly or indirectly deals with a person who may suffer from a severe impairment is a potential referral source for your service