

First Impressions Count: Down Payment Tips

May 5, 2011



First impressions last a long time. To avoid confusion and frustration for your customers and yourself, it's important that the first payment a customer makes is processed successfully. We've compiled this list of Agent Resource SiteSM (ARS) tips and billing best practices to help you serve your customer with as much convenience as possible.

ARS Information

- **Update the down payment field on application to match the amount paid by the customer.** When a new business application is keyed, ARS automatically pre-fills the required down payment amount. You must update this field with the actual amount collected from the customer. We'll then immediately credit the customer's policy for that amount.
- **Down payment amounts determine the billing process once the policy issues.** The remainder of the policy premium is billed based on the amount of down payment, and the selected billing method (ExpressIT[®], Monthly Recurring Credit Card (MRCC), Direct Bill, etc.).
- **Payments made by paper check are tracked until the check is received by the Service Center.** If the down payment is not received within 21 days of application submission, the down payment is backed off the policy. The customer is then billed for the down payment and any additional installments, which is sure to cause confusion and frustration for your customer. Do not indicate payment by check unless you have the check in hand. If you indicate payment by check and then accept a down payment through a different payment method, it will not stop the tracking for a paper check. See "**Do not double pay the down payment**" section below for more information.

Best Practices

- Encourage down payments by **EFT (one-time customer electronic check) or Agency Sweep (EFT from Agent's account)**. These are our preferred methods because they *reduce costs and increase retention*. The other electronic methods, down payment by customer credit or debit card, also favorably impact customer satisfaction and retention over payment by paper check.

- **Payments must come from the same account.** If a customer has chosen the **ExpressIT** payment method, and would like to make a down payment using a **one-time EFT**, all payments must come from the same bank account.
 - Include bank account information in the **down payment** field.
 - Submit a **Customer Authorization and Agreement for One Time Direct Payment (EFT)** form (MPL9183-000) *and* an **ExpressIT Authorization and Agreement form** (MPL1098-000).
- **Key down payments on ExpressIT billed policies**, even if the down payment was issued from the same bank account via electronic check.
- **Collect the down payment before doing an Agency Sweep.** Once collected, deposit the down payment in your agency account. *Do not* mail processed down payments - the sweep function will automatically pick up the payment.
- **Select Mortgagee Bill as the billing method if the mortgagee will be billed in the future**, *even if your customer is paying the first year premium.*
 - If you **collected** the first year premium (from the customer or mortgagee) enter the **full premium amount** in the down payment field.
 - To **bill the mortgagee for the first year premium** because no down payment was collected, **enter zeroes (0.00)** in the down payment field.
- **Do not double pay the down payment.** Once the policy is issued, **do not submit a down payment using Make a Payment** in ARS Billing, or tell the customer to make the down payment via [eSERVICE](#), or the Interactive Voice Response (IVR) system. The down payment amount on the application is credited to the customer at policy issuance. If applied as a regular in-force payment (through ARS, eSERVICE, or IVR), the down payment will be double-credited, and the error will not be noted until the 21-day follow-up.
- **Use envelope MPL 0351-078 to submit monies collected from the customer.** (This does not apply to Agency Sweep.) Funds should be submitted immediately.
- **If a down payment is not required or is not received when the application is submitted, key zeroes (0.00) in the down payment field.**

By using these tips and guidelines, you can help ensure that your customer's first payment is processed successfully. You can make sure their first impression of you and MetLife Auto & Home is one of convenience and efficiency.

Questions?

Please contact your Regional Sales Manger (RSM).