

Activity 11.1

Unit Word Search

Name _____ Date _____ Hour _____

Student Materials

Pencil

Directions

Fill in the blank with the correct term from the word bank. Find the word within the word search.

Word Bank

auto	disability	PPO
beneficiary	health	premium
claim	HMO	renters policy
collision	insurance	risk
comprehensive	liability	term
deductible	life	whole life

1. In addition to protecting your possessions, a _____ will also protect you in case someone is injured in your home.
2. A higher _____ may have you paying more in the event of an accident, but often saves in the long run.
3. _____ insurance, which covers damage to others, is required for auto insurance in Oklahoma.
4. Life-long insurance policies that build cash value are _____ policies.
5. _____ insurance is important if you financially support others.
6. The high costs of health care make _____ insurance one of the most common policies after auto insurance.
7. _____ provides financial protection against loss, damage of belongings, or inability to maintain a standard of life.
8. Insurance is a form of _____ management.
9. A(n) _____ may have lower out-of-pocket fees.

10. An insurance _____ is invested and can provide a type of forced savings.
11. _____ insurance protects against loss of income.
12. A _____ receives financial compensation in the event of a death.
13. Teens result in higher premiums when covered by _____ insurance.
14. A _____ policy protects against theft, vandalism, and natural disasters.
15. When involved in an accident, you must file a _____ with your insurance agent.
16. A _____ policy covers repairs to your car if you run into a tree.
17. Life insurance for a specified period of time is _____ insurance.
18. A _____ is a managed care plan with a provider network.

C E S K M H H A W K I P Q E Y A M X X D A I M Z H
 O R F M G T S P U B S C O R E L U W S V O N Z K Y
 L F Q I L J K I C T R E A Z Y P I P S K L P K G H
 L G C A L P N A R I O I V Q L P M G D Y L G L I S
 I D E A Z E U D S V C R S I P W E K G C V S M M H
 S H F L J M L K I I O A S E S H R U N I R G V Z Y
 I C X J F Z H O F H E C G T D N P N H L Q S J D J
 O X W Q Z Z D E H G B F Y I K Q E A J O X F G Z M
 N L P Z P Y N I V W L D N V E X O H K P C G G I H
 W D V T A E J D S G P S N H F V X F E S K N D X K
 L X B U B A E Q C A U B J D O D C P M R R W J N Y
 Y T I L I B A I L R B D P P P W O P C E P V Q X Y
 N A L J J L S F A W B I R B H X V S M T I M T P Y
 S V A B O D Z N V R S R L Q U Z F G H N K K O J D
 M R E T O Z C X H F W Y D I W Y A E I E Y B F C W
 L H N H L E C L A I M O W J T J W B S R P M O K D
 C A H B Y X T S F O M M M C P Y P T V J T Z A X T
 L O X H P E C X H T W K T H S Z F H R T E T H H S
 Q I G X G F K B E Q Y N X H Q R X E O F S A V O K
 R R V M G V Q M G B M M U B G L I I Y X P V S Y S
 H E H O D V B K D E D U C T I B L E O X C W W I D
 Y Z A B N L J E L Y G B Z W I B O G P E X Z D N B
 C E N Z Z U A W I O P E A L E G P L G S U L P Y V
 U T C K W C O S F G K I S O P X P Y G R N T B Y O
 E N O A F Q B N E X W K O D P D P G M Y B I E H Y

Activity 11.2

What's the Risk?

Name _____ Date _____ Hour _____

Introduction

Risk can mean different things, based on whether you're referring to investments or insurance. Ultimately though, it refers to financial loss. With investments, it's the risk that your investment will decrease in value. But sometimes things happen in our lives that can lead to financial loss, such as when we lose property, accidentally harm people or their property, are unable to work due to health or disability, or loss of life. Risk management is a way of limiting financial losses with a well thought-out plan.

Directions

Read the following scenarios, and discuss what you would recommend and why.

Part I

- 1. Maya lives in a gated apartment community. As a graphic artist who works from home, she has computers, a scanner, printers, and other electronic equipment she uses in her work. Because she lives in a gated community, she doesn't think she needs renter's insurance. What do you think, and why?

- 2. Luis recently bought a new sports car. Because his car payments are high, he would like to pay the minimum on insurance required—the liability. What would you recommend to Luis?

- 3. Your uncle owns his house and is thinking of dropping the homeowner's insurance policy to save some money. What do you think?

4. Your sister is debating whether to purchase a disability policy or a life insurance policy. She only has enough money for one policy. She is single and 23 years old. What do you think?

5. During a recent tornado, a tree fell on the Harjo's home, damaging the roof of their \$125,000 home. The damages have been assessed at \$20,000. However, their homeowner's policy has an 80% co-insurance clause. How much will their insurance company pay to repair the roof?

6. Kyle and a friend are playing catch outside the apartment building where Kyle rents an apartment. Kyle accidentally breaks a window in another apartment with the baseball. Who is responsible for the costs of repairing the window? Is there an insurance policy that might pay for this?

7. Kaley recently moved out on her own and started working. She is taking classes part-time, so money is tight. She has the option of purchasing health insurance through her employer, but would rather not have the \$100 taken out of her check each month. Kaley is 21 and has always been very healthy. What should she do?

8. Lindsey has a car that she's owned for five years, and she plans on keeping it for two or three more years. Currently, she's paying the following for her auto insurance: comprehensive (\$80); collision (\$150), property damage liability (\$70), and bodily injury liability (\$170), for a total of \$470. She would really like to reduce her insurance costs. What would you recommend?

Part II

List the risks you take each day, such as driving, participating in extreme sports, owning a home, etc. Also look at your age and whether you contribute to the financial support of anyone else. What risks could lead to significant financial losses for you? What type of insurance policies might you get to help manage the risk? Number them in order of importance, and explain your reasoning.

Activity 11.3

Oklahoma Auto Insurance

Name _____ Date _____ Hour _____

Directions

Auto insurance laws and requirements vary from state to state. It's up to you to know those laws and how they affect you. Go to the Internet and search for Oklahoma Insurance Board and find the answers to these questions.

1. Who regulates the auto insurance industry in Oklahoma?

2. What does Oklahoma require for the minimum auto liability coverage?

3. What are ways that I can lower the premium of my automobile insurance policy?

4. What is Uninsured Motorist Coverage? Is it a requirement?

5. Why are auto rates higher for young adult males than they are for young adult female drivers?

6. I was involved in an accident in which the other driver was at fault and had no liability insurance. Can my rates increase after I file a claim on my own auto policy? Why or why not?

7. Since my car isn't working at this time, do I have to maintain liability insurance while it is not being driven?

8. What happens if my premium payment for auto insurance is late?

9. Can the Insurance Department determine liability?

10. What happens if both people are at fault for an accident?

11. How do insurance companies determine how much to pay for a totaled car?

12. What qualifications must an insurer have? How can you check to see that they meet the qualifications?

13. Find "Insurance Company Ratings" at the website. What are the ratings for State Farm, Geico, Allstate? Why are insurance ratings important? Do an advanced search to find out how many companies provide auto insurance in Oklahoma.

Activity 11.4 Insurance Company Research

Name _____ Date _____ Hour _____

Directions

Insurance companies, like investments and bank accounts, vary in what they offer and at what costs. In order to get the coverage you want at a price that fits in your budget, you should shop around. Choose a car you currently own or one you would like to own. Know the make, model, and year of the vehicle. Research three insurance companies that offer auto insurance, and find out their policy rates with a \$500 deductible and any other benefits.

AUTOMOBILE INSURANCE COMPANIES			
Policies	<i>Insurer A</i>	<i>Insurer B</i>	<i>Insurer C</i>
Liability — Bodily Injury \$25,000 per person; \$50,000 each accident			
Liability — Property damage \$25,000			
Medical Payments coverage \$5000			
Comprehensive, \$500 deductible			
Collision, \$500 deductible			
Uninsured motor vehicle			
Emergency Road Service			
Discounts: Good driver, multicar, accident free, safe vehicle			
Annual Total			