Lesson Plan

Insurance Basics

20 minutes

Prerequisite: Digital Lesson–Insurance Basics

INSTRUCTIONS

Each digital lesson is supplemented with a follow-up synchronous lesson plan to extend and reinforce learning. Activities and questions are structured in a way that supports both in-person and virtual classroom settings.

OBJECTIVES

Students will be able to...

- Identify the consequences of not having insurance coverage.
- Define insurance terminology.
- Compare different types of insurance.
- Explain how insurance can be used as a risk management strategy.

MATERIALS

In-Person Lesson

- Computer
- What Would You Do? student activity

Virtual Lesson

- Computer
- What Would You Do? student activity

STANDARDS ADDRESSED

2021 Jump$tart National Standards for Personal Finance

- Managing Risk 12-1a. Discuss whether a premium paid to insure against a crash that never happens is wasted.
- Managing Risk 12-1b. Analyze the conditions under which it is appropriate for young adults to have life, health, and disability insurance.
- Managing Risk 12-2a. Identify individual characteristics that influence insurance purchase decisions.
- Managing Risk 12-2b. Recommend types of insurance needed by people with different characteristics.
- Managing Risk 12-4c. Discuss the pros and cons of buying an auto insurance policy with a higher deductible.
- Managing Risk 12-5b. Compare the cost of health insurance to the potential financial consequences of not having health insurance.
- Managing Risk 12-4a. Research factors that result in lower auto insurance premiums.

SECTION	DESCRIPTION	FORMAT	DURATION
Discussion	Ask students: “Have you ever had something stolen or lost? Been injured and had to have medical care? If so, how did you handle the situation? Who paid for it?”	Virtual: Ask in the chat. In-Person: Ask and wait for responses.	3 mins
Activity	Explain to students that when you have insurance, the insurance company will pay for a large portion of the cost of an unexpected event, like a car accident. There are lots of types of insurance, like life, health, homeowners, renters, vision, dental, and much more. But no matter what kind of insurance you need, there are a few terms students should know. Ask students if they know what these terms mean. Discuss with the group: • Risk: This refers to the risk or chance of something unexpected happening, including a loss or damage to a person or a person’s property or possessions. • Deductible: The amount you must pay before the insurance plan will contribute to the covered event. • Premium: This is the amount you pay every month to keep your insurance policy active. • Policy: An insurance contract between you and the insurance company. Ask students to read and fill out the What Would You Do? student activity. Discuss the activity with students. Say: “While some forms of insurance are mandatory, like health insurance, there are times where insurance is offered, but it’s up to you whether you want to purchase it.” Though there are not right or wrong answers to these questions, there could be financial consequences to not purchasing insurance should an unexpected event occur.	Virtual: Ask for definitions in the chat. Distribute the worksheet. In-Person: Ask for definitions and wait for responses. In-Person: Distribute the student activity.	15 mins
Exit Ticket	Ask students: “Which type of insurance do you think is most important for your life right now?”	Virtual and In-person: Students use the student activity to respond.	2 mins