

# What Determines Your Insurance Premium?

## Teacher Guide

### Using this Activity in Class

The objective of this activity is to teach students about 5 different types of insurance they will likely need in their lives and the various factors that determine how much they will pay for each premium. This activity can be used as a fun hook to introduce your students to types of insurance (but use it however you'd like, of course.) Students may need a primer on vocabulary terms prior to doing this activity (e.g. Deductible, Premium, etc.)

### Part I: Prepare the Game

- A. Print out the Insurance Type and Factors cards and worksheets.
- B. Cut out the Factors cards. (Total of 36 factors cards, plus 5 insurance types cards.)

### Part II: Play the Game

- A. Distribute the cards to your students. Make sure that all 5 Insurance Type Cards have been passed out and that the remainder of the students each have 1 Factor Card. Keep any remaining Factor Cards to the side - you'll come back to them at the end of the game.
- B. Explain to your students that 5 people in the class have an Insurance Card that has a specific type of insurance and its description. The other students have a card with a factor that can impact how much a person will pay for an insurance premium. However, some students may be holding a "wild" Factor Card that does not apply to *any* of the 5 insurance types!
- C. Have students with Insurance Cards stand in 5 different areas of the classroom and read aloud their type of insurance and its description. As the descriptions are being read aloud, students with Factor Cards should be thinking about which type of insurance premium their factor would impact.
- D. Once the insurance descriptions have been read aloud, take a moment to see if any of the students have questions. Note that students just need to have a basic idea of what each type of insurance covers to continue the rest of the activity.
- E. The students with Factor Cards will now get up and stand by the type of insurance premium they think their factor impacts. BEFORE they do, be sure to review the following with the students:
  - 1. **The students' goal is to make sure they are matching their factor with an insurance type as accurately as possible.** As students start to form groups, they should discuss with one another on whether they agree or disagree that the factors are accurate. If a group decides that a certain factor(s) is not the

best fit for an insurance type, the student with that Factor Card should reconsider where to go.

2. Designate a 6th spot in the classroom for students with Wild Factor Cards. Students should NOT go to the Wild Factor Card spot first - they should try to see if their factor fits into an insurance type and discuss with their peers.
  3. Tell students with Factor Cards that there may be some repeats (e.g. multiple people may have "age" as a factor card), so they should check to see if there are any duplicates in the group.
- F. Once students have finalized their groups, have each group read aloud their type of insurance and its factors. Identify any incorrect factors and have those students come to the front of the classroom with their Factor Card. ***Do not reveal which type of insurance they actually belong to!*** Do the same thing with the students in the Wild Factor Card group - if they are correct, they can stay where they are; if they are wrong, ask them to come to the front of the classroom.
- G. After all the incorrect factors have been identified from each group, read aloud any extra Factor Cards you have. You may wish to write them on the board or post them somewhere the students can see them.
- H. Explain to students that, as a class, they now have to determine where the extra Factor Cards and the students at the front of the classroom should go. The class should discuss each Factor Card one at a time and come to a consensus.
1. Students will likely have differing opinions, so be sure to ask them to explain their reasoning. The class may agree more easily on some factors and debate on others.
  2. Once the class has determined where a factor should go, *reveal the answer!* Students and extra Factor Cards should move to their correct group once the answer is revealed.

### **Part III: Post Game Reflection**

- A. Once each group has its correct factors, hand out the corresponding worksheet to each group and have them answer the questions. Students with wild Factor Cards can join one of the insurance groups to work with. You may choose to have each group share their answers out loud to the class.

<b>Auto</b>	<b>Home</b>	<b>Health</b>	<b>Renters</b>	<b>Life</b>	<b>Wild Cards</b>
Credit Score/History	Credit Score/History	Individual vs. Family Enrollment	Credit Score/History	Family Health History	What Hospital You Were Born In
Driving Record	Value of Your Possessions	Plan Category	Value of Your Possessions	Health History	Color of Car
Deductible	Deductible	Tobacco Use	Deductible	Tobacco Use	Cat Breed
How often/far you drive	Proximity to Body of Water	Gender	# of Units in Building	Gender	If Previous Tenants Had Insurance
Age	Proximity to Fire Department	Age	Where You Live	Age	
Where You Live	Where You Live			Occupation	
Marital Status	Dog Breed			Hobbies	
Make & Model of Car					

# What Determines Your Insurance Premium?

## LIFE INSURANCE

Names of Group Members:

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1. Which factors were the easiest to identify? Which were the hardest?

2. Why do you think HOBBIES and OCCUPATION impact the cost of life insurance premiums?

3. Were there any factors not listed that you think *should* impact life insurance premiums? Explain.

4. Do you think you would need life insurance at this point in your life? Explain. If not, when do you envision needing this insurance?

5. How do you think the different factors impact the monthly premium for your insurance type? (For example, if AGE is a factor, then the younger/older a person is, the lower/higher the monthly premium...)

# What Determines Your Insurance Premium?

## HEALTH INSURANCE

Names of Group Members:

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1. Which factors were the easiest to identify? Which were the hardest?

2. Why do you think INDIVIDUAL VS. FAMILY ENROLLMENT impacts the cost of health insurance premiums?

3. Were there any factors not listed that you think *should* impact health insurance premiums? Explain.

4. Do you think you would need health insurance at this point in your life? Explain. If not, when do you envision needing this insurance?

5. How do you think the different factors impact the monthly premium for your insurance type? (For example, if AGE is a factor, then the younger/older a person is, the lower/higher the monthly premium...)

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## AUTO INSURANCE

Names of Group Members:

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1. Which factors were the easiest to identify? Which were the hardest?

2. Why do you think MAKE & MODEL OF CAR and HOW OFTEN & HOW FAR YOU DRIVE impact the cost of auto insurance premiums?

3. Were there any factors not listed that you think *should* impact auto insurance premiums? Explain.

4. Do you think you would need auto insurance at this point in your life? Explain. If not, when do you envision needing this insurance?

5. How do you think the different factors impact the monthly premium for your insurance type? (For example, if AGE is a factor, then the younger/older a person is, the lower/higher the monthly premium...)

# What Determines Your Insurance Premium?

## HOMEOWNER'S INSURANCE

Names of Group Members:

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1. Which factors were the easiest to identify? Which were the hardest?

2. Why do you think DOG BREED, PROXIMITY TO A FIREHOUSE, and PROXIMITY TO A BODY OF WATER impact the cost of homeowners insurance premiums?

3. Were there any factors not listed that you think *should* impact homeowners insurance premiums? Explain.

4. Do you think you would need homeowners insurance at this point in your life? Explain. If not, when do you envision needing this insurance?

5. How do you think the different factors impact the monthly premium for your insurance type? (For example, if AGE is a factor, then the younger/older a person is, the lower/higher the monthly premium...)

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## RENTER'S INSURANCE

Names of Group Members:

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1. Which factors were the easiest to identify? Which were the hardest?

2. Why do you think the # OF UNITS IN YOUR BUILDING impact the cost of renters insurance premiums?

3. Were there any factors not listed that you think *should* impact renters insurance premiums? Explain.

4. Do you think you would need renters insurance at this point in your life? Explain. If not, when do you envision needing this insurance?

5. How do you think the different factors impact the monthly premium for your insurance type? (For example, if AGE is a factor, then the younger/older a person is, the lower/higher the monthly premium...)

# What Determines Your Insurance Premium?

## Activity Cards

Cut out each card prior to starting the activity with students.

<p><b>Life Insurance:</b> Provides a tax-free, lump sum of money to your loved ones in the event of your death.</p>	<p><b>Health Insurance:</b> Covers medical expenses for illnesses, injuries, or conditions.</p>	<p><b>Auto Insurance:</b> Protects you in the event of a car accident or theft.</p>
<p><b>Renter's Insurance:</b> Protects your personal property in a rented apartment, condo, or home for unexpected circumstances; Can also provide liability coverage.</p>	<p><b>Homeowner's Insurance:</b> Covers losses &amp; damages to a person's home and to assets in the home; Can also provide liability coverage.</p>	<p>Age</p>

Age	Age	Gender
Gender	Health History	Family Health History
Tobacco Use	Tobacco Use	Hobbies

Occupation	Individual vs. Family Enrollment	Plan Category (Gold, Silver, Bronze, Platinum, Catastrophic)
Where You Live	Where You Live	Where You Live
Value of Your Possessions	Value of Your Possessions	Deductible

Deductible	Deductible	Make and Model of Your Car
How Often and How Far You Drive	Driving Record	Credit Score/History
Credit Score/History	Credit Score/History	Marital Status

Dog Breed	Proximity to a Fire Department	Proximity to a Body of Water
What Hospital You Were Born In	Color of Your Car	Cat Breed
If Previous Tenants Had Insurance	Number of Units in the Building	