

OVERVIEW

Do you know what to do if your cellphone, car, bike, or other personal property is stolen, lost, or damaged? Would you be able to pay to replace or repair the item? Is the item insured?

Before you can be a savvy insurance consumer, you need to crack the code on a few common terms and how insurance works. This will help you when deciding what type of insurance you need or if you need to collect insurance payments. When you are ready to talk to an insurance company representative, you will be prepared to answer and ask questions with confidence.

In this lesson, become familiar with the language of insurance as you learn how to get insurance and how to file claims.

LEARNING OUTCOMES

In this lesson you will investigate how insurance works. Along the way you will also learn the following:

- Describe how to get insurance coverage.
- Give examples of information provided in an insurance policy.
- Describe how to file an insurance claim.
- Summarize the rights and responsibilities of an insurance policyholder.

Use what you learn today to prepare to apply for insurance or to file a claim.

LEARNING TASKS

These tasks match pages 8-17, 23 in Student Guide 6.

__ 1.	Do you know what to do if your cellphone, car, bike, or other personal property is stolen, lost, or damaged? Is the item covered by insurance? Would you be able to pay to replace or repair the item?
__ 2.	Although insurance is available for nearly every type of misfortune, you cannot get insurance for everything that you want protected. Find out the qualities to be INSURE-able, and then decide if the qualities apply to scenarios provided by your teacher.
__ 3.	Be prepared so you don't have a situation similar to when Katie planned to replace her stolen phone. Complete Part A of Activity 6.2: Read the Fine Print to find specific details about insurance coverage and conditions in an insurance policy.
__ 4.	Aaron has a problem after he discovers damage to his car. Learn from his experience to prepare yourself to deal with any similar situation. Finish Activity 6.2 to become familiar with the steps to file a claim. Would you be able to tell an agent what was missing or damaged if your home was damaged? Complete Activity 6.3: From Memory to test your memory.
__ 5.	Put the finishing touches on your personal property inventory as you complete Challenge 6-B: Take an Inventory .

TAKING IT HOME

Identify three of your most valued, or valuable, possessions. Research the current value of each item, and then compare that value to how much it would cost you to replace each item.

For example, if you have a gaming system, how much do you think you could get for it right now in a "used" condition? Keep in mind that the value of the system will be reduced over time due in part to real or anticipated wear and tear. Get an idea of how much money similar systems are selling for now by conducting a search on an online selling website.

REFLECTION

What are two habits you can take on now so you are ready to manage your own insurance paperwork and tasks?

FURTHER STUDY

Check out the Insurance Information Institute's website for interesting insurance-based facts and statistics for your state such as the likelihood of car striking a deer or the chance that you might be bitten by a dog: www2.iii.org.

Activity 6.2: Read the Fine Print

NAME:

DATE:

Directions:

- A. Read an insurance policy to highlight and summarize what is covered, the coverage limit, and two or three conditions for coverage.

Type of policy	
Brief description of what is covered	
Coverage amount	
Two or three conditions for coverage	

- B. Aaron is grateful that his dad and agent walked him through what to do after his car was damaged in the parking lot. Read the same policy used for Part A or scan through a different insurance policy to find out what to do to file a claim for that policy coverage.

Type of policy	
Requirements to be eligible to file a claim	
Steps to file a claim	
Time limit to file the claim (if any)	

