

CDFS 600 – Module Assignments Lesson Plan Template

List which Module this lesson plan covers: **Module 3**

Title of Lesson/Subject: **Car Insurance**

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Time Allotment: (Example: One Class Period, 2-50 minute sessions, 3 weeks, etc.)

One Class Period

Grade Level or Target Audience: **9th grade**

ND Standards Competencies:

Key Economic Concepts: **insurance premiums, bodily injury, property damage, collision, comprehensive damage**

Brief Description: **The students will be given a chart and on the chart they will have the types of insurance coverage, coverage limits, annual premiums. They will be given the coverage limits and the type of coverage for a certain automobile and they will need to find the annual premium for that car.**

Learner Objectives: **Students will learn how to calculate car insurance premiums.**

Introduction: **Insurance companies charge young drivers below age 25 much higher premiums for insuring their cars than they would older drivers. Are there any factors that they especially consider in setting their rates for young people?**

They will need to write 5 reasons on why insurance companies do this.

Materials Needed: (what students will need to complete lessons – like computer access, other things you the instructor need to bring to the classroom – any posters, other props, etc.)

Notebook, calculator, pen/pencils

Audio/Visual Equipment Needed: (what you the instructor would need to present)

Overhead projector, chalk(marker) board

Lesson Outline: **The students will be given a chart and on the chart they will have the types of insurance coverage, coverage limits, annual premiums. They will be given the coverage limits and the type of coverage for a certain automobile and they will need to find the annual premium for that car.**

Resources: (list URL's of any websites with title of website, list any books, articles with author's name)

http://www.horacemann.com/educator-resources/teachkit/html/t_auto.html

<http://www.moneyinstructor.com/wsp/carliability.asp>

<http://info.insure.com/auto/rates.html>

Activities:

Insurance companies offer discounts to owners of cars that have features such as air bags, anti-lock brakes, and alarm systems. How can they justify giving such discounts? Give at least 3 reasons.

Application/Assignment:

Sample Annual Car Insurance Premiums

<u>Type of Insurance Coverage</u>	<u>Coverage Limits</u>	<u>Annual Premiums</u>
Bodily Injury	\$25/50,000	\$20.58
	\$50/100,000	\$30.88
	\$100/300,000	\$53.95
Property Damage	\$25,000	\$135.80
	\$50,000	\$161.67
	\$100,000	\$190.19
Collision	\$100 deductible	\$466.53
	\$250 deductible	\$324.03
	\$500 deductible	\$261.95
Comprehensive	\$50 deductible	\$125.32
	\$100 deductible	\$93.99

1. **Jake wants a basic insurance policy for his car. He chooses this coverage: bodily injury \$25/50,000; property damage \$25,000; collision \$100 deductible; comprehensive \$50 deductible. Using the above chart, find the annual premium that Jake will pay.**
2. **On a truck Jim drives he carries bodily injury for \$50/100,000; property damage of \$25,000; collision is \$250 deductible; comprehensive is \$50 deductible. Using the above chart, find the annual premium Jim will pay.**
3. **What is the difference of Jake's and Jim's annual insurance premium?**
4. **Why is Jim's premium higher than Jake's?**
5. **If a person gets stopped by a cop for multiple speeding tickets(very high speeds) or any alcohol related stop, what do you think that will do to the persons insurance premium and why?**
6. **Come up with your own insurance coverage and find the annual premium you will have to pay?**

Evaluation Plan: **A quiz will be given the next day.**