

NAME: _____

DATE: _____

ACTIVITY

Insurance in Real Life

What + Why: Match different people to the type of insurance protection they may need most and discover how financial risks can change across life situations.

Instructions:

1. Review each real-life scenario and insurance type.
2. Select the one insurance type that seems most critical for each scenario.
 - Descriptions of each insurance type are provided beneath the table.
3. Provide a suggested reasoning for your match based on:
 - Life stage
 - Dependents
 - Financial exposure
4. Answer the synthesis questions.

Be ready to explain your reasoning.

Scenario	Most Critical Insurance Type	Suggested Reasoning
Scenario 1—Brielle Brielle is 22 and recently graduated college. She started her first full-time job, rents an apartment with roommates, has a used car with a car loan, and occasionally helps support a younger sibling financially.	☐ Health ☐ Auto ☐ Life ☐ Disability ☐ Property	
Scenario 2—André André recently became a parent. He works full time (with employer health and life insurance options available) while his partner stays home with their baby. They rent their home, and most of the household income depends on André's paycheck each month.	☐ Health ☐ Auto ☐ Life ☐ Disability ☐ Property	

(continued)

Scenario	Most Critical Insurance Type	Suggested Reasoning
Scenario 3—Cedric Cedric bought his first home two years ago and has a mortgage. He owns two vehicles and recently used most of his savings to replace a broken HVAC system, leaving him with a limited emergency cushion.	☐ Health ☐ Auto ☐ Life ☐ Disability ☐ Property	
Scenario 4—Nia Nia works as a freelance graphic designer. She does not receive health, disability, or life insurance benefits through an employer, and her income depends on completing projects for clients each month.	☐ Health ☐ Auto ☐ Life ☐ Disability ☐ Property	
Scenario 5—Samira Samira is 55 and helps support both of her aging parents financially while still working full time. She worries about balancing health care costs, retirement savings, and family responsibilities.	☐ Health ☐ Auto ☐ Life ☐ Disability ☐ Property	
Scenario 6—Mr. Bennett Mr. Bennett recently retired. He relies on Social Security, retirement savings, and Medicare for most of his financial needs. (Medicare covers basic health but not all out-of-pocket expenses.) He owns his home and wants to avoid large unexpected expenses.	☐ Health ☐ Auto ☐ Life ☐ Disability ☐ Property	
Scenario 7—Ethan Ethan is a college student who drives to campus every day in an older car. He works part time and shares an off-campus apartment with friends. He is covered under his family's health insurance plan until he turns 26.	☐ Health ☐ Auto ☐ Life ☐ Disability ☐ Property	
Scenario 8—Jocelyn Jocelyn rents a small apartment and works full time at a restaurant. She has no dependents, but most of her paycheck goes toward rent, bills, and basic living expenses.	☐ Health ☐ Auto ☐ Life ☐ Disability ☐ Property	

Synthesis Questions

1. Which type of insurance would likely matter most at age 18? At age 35? At age 65? Explain.
2. Liability coverage appears in both auto and property insurance. What do you think liability coverage is protecting you from, and why might it show up in more than one type of insurance?

Description of Insurance Types

Health Insurance

Helps cover medical costs like doctor visits, hospital care, prescriptions, and emergencies. Medicare is a social insurance program that extends health coverage to almost all Americans age 65 and over.

Auto Insurance

Helps pay for costs related to car accidents, injuries, or damage involving a vehicle. Most policies include liability coverage, which pays for damage or injuries you cause to others (and is required by law in most states).

(continued)

Life Insurance

Provides money to chosen family members or beneficiaries if the insured person dies.

Disability Insurance

Provides part of a person's income if they become unable to work because of illness or injury.

Property Insurance

Helps cover damage, loss, or repairs involving a home, apartment, or personal belongings. Homeowners insurance protects those who own their home, while renters insurance covers those who rent. Both can also include liability coverage in case someone is injured on your property.