PROTECTING YOUR ASSETS

Always encourage your students to take notes. Also, remember to leave yourself 5 minutes before the end of class to go over the post-test and collect them!

- Making a connection to students | 2 minutes
  1. Introduce yourself: Name, employment or volunteer work, and why this topic is important.

- Begin class: | 3 minutes
  Before opening the book write the title Protecting Your Assets on the board.
  1. Ask students to define the word “assets” and give you examples.
  2. After two or three responses, ask them how they usually protect their assets.

  ➢ Instruct students to open their books on page 2

I. Protecting Your Assets | Page 2 | 15 minutes

  1. Write the term Insurance and have a student read aloud the paragraph under letter A.
  2. Ask students for reasons why they need to buy insurance. Write correct responses on the board.
  3. Have another volunteer read aloud the paragraph and the insurable assets under letter B. Emphasize which types of insurance are mandatory by law (e.g., car, health). Post Course Question.
  4. Together complete the activity “You can insure about anything” on bottom of page 1. First, have students guess, then students can use their cell phones to find out what celebrities have insured. (America Ferrera= smile/$10 million; Troy Polamalu= hair/$1 million; Tina Turner= Legs/$3.2 million; Beckham= whole body/$195 million).

  ➢ Instruct students to turn to page 3

  5. Summarize the insurance terminology provided in the table on top of page 3. First, have students repeat each term after you and then explain what it means.
  6. Have students pair up to complete the insurance terminology activity on the bottom of page 3. (Question #1= insurance policy; Question #2= deductible; Question #3= premium).
  7. Ask students if they have any questions before moving on to page 4.

II. Types of Insurance | Page 4-5 | 15 minutes

A. Car Insurance

  1. The Basics:
     1.1. Ask students to raise their hands if they own a car. Then, ask the students if they have car insurance and why having this insurance is important. If necessary, ask for a volunteer to read aloud the first sentence.
     1.2. In this section, you summarize key information in letters a-d. Ask for volunteers to read aloud specific sections to emphasize a point.
     1.3. As you discuss letter b. write the words Personal Insurance Protection- PIP on the board and have students repeat them. Also write on the board the minimum required amount (10,000) for car insurance in the state of Florida.
1.4. Ask for a volunteer to read aloud the bullet points under “**PIP also protects...**”

1.5. When explaining c. **comprehensive and collision insurance** (p.4-5) write these terms on the board.

   After summarizing this section, ask student the following true and false questions:

   i. Comprehensive and collision insurance are optional if you have paid off your car. **(True)**

   ii. If your windshield is damaged as you were driving on the road, your car insurance will ALWAYS cover the repairs no matter what. **(False)**

2. **How do I obtain car insurance?**

   2.1. Ask for those who own a car and how they obtained car insurance.

   2.2. After a few responses, ask for a volunteer to read paragraph under # 2.

   2.3. Summarize the important bullet points for # 2. Make sure students understand what a **quote** is in this context.

   2.4. Emphasize that a person’s credit score can have an impact on a person’s auto insurance premium. The higher your credit score, the better is the chance to get a lower car insurance premium.

3. **I purchased car insurance...now what?**

   3.1. Briefly go over the insurance card at the bottom of page 5 showing the insured policy number and the effective dates.

   3.2. Explain that each insurance company’s card may appear different and display different information, but the above three lines should always be on the card.

B. **Health Insurance | Page 6-9 | 30 minutes**

1. **Why should I obtain health insurance**

   1.1. Ask students if they believe that having a health insurance is important or not? And ask them to explain their responses.

   1.2. After a few responses, ask for a volunteer to read aloud the first bullet point under **It’s the law** on top of page 6.

   1.3. Ask for another volunteer to read both bullets under **protect your assets**.

   1.4. Ask students if they have experienced health emergencies with or without health insurance, ask them to share their experiences. If no volunteers, feel free to share one of your own.

2. **Common health coverage terminology** (p.6-7)

   2.1. Explain that health insurance terminology can be confusing and that it is important to learn the terms and definitions.

   2.2. Have the whole class repeat after you each term. Then, ask for a volunteer to read aloud one or two sentences of the definition.

   2.3. After students read each definition, check with the class if they understood what it means. One way of checking for understanding is asking for a volunteer to define the term in their own words.

   2.4. **Exercise: True or False** *(This is not in their books).*

      i. Co-pay and co-insurance are the same thing. **(False)**

      ii. Health insurance companies will reimburse you (pay back) out of pocket costs. **(False)**

3. **Types of health insurance plans**

   3.1. Ask students if they know what kind of health insurance they have. If students don’t know, ask them to look at their insurance cards, if they have them, to see if they can identify the type of insurance.
3.2. Draw on the board a three column chart and write the types of health insurance: HMO, PPO, EPO.

<table>
<thead>
<tr>
<th></th>
<th>HMO</th>
<th>PPO</th>
<th>EPO</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Less out of pocket $</td>
<td>• Can be more costly</td>
<td>• Can be less costly</td>
</tr>
<tr>
<td></td>
<td>• Need a referral from primary doctor to</td>
<td>• Don’t need a referral to see a specialist</td>
<td>• Only can see doctors with in network</td>
</tr>
<tr>
<td></td>
<td>see a specialist</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.3. Have different volunteers read aloud the bullet points under each of the types discussed on page 8. Explain what **in-network** and **out-of network** mean.

3.4. As students read, write key information about each type on the board. See example.

3.5. Ask students if they could choose their health insurance which type would it be and why. What are the advantages and disadvantages of their choices? Have a few volunteers share their responses.

4. **What do you do if you don’t have health insurance?**

4.1. Ask students if they can visit the doctor without health insurance. Next, ask them to explain where they can go.

4.2. Ask for a volunteer to read aloud number line 4.

   ➢ Instruct students to turn to page # 9.

5. **Activity (p. 9).**

5.1. Read aloud the case scenario to the class.

5.2. Review with the class each of the insurance plans provided in the chart. Ask students if there is something that they don’t understand or need further explanation.

5.3. Next, review with the class the chart with the cost for medical before insurance.

5.4. Work closely with the students to help them achieve the correct answers.

   **Answers**

<table>
<thead>
<tr>
<th>1. $3050</th>
<th>2. $1793( $1,500 deductible + $278 Co Insurance (20% x $2390 cost of hospital stay after deductible) $1,778 + $15 follow-up visit = $1,793)</th>
<th>3. $340</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. $1800</td>
<td>5. $2400</td>
<td>6. Yes/$5</td>
</tr>
</tbody>
</table>

5.5 Ask students which plan seems to be better and why.

   ➢ Instruct students to turn to page # 10.

C. **Income Replacement Insurance** | Page 10-12 | 10 minutes

1. **The basics**

1.1. Ask students if they know what income replacement insurance is. If students don’t know, have a volunteer read the first two paragraphs.

2. Briefly summarize # 2 & 3 which discusses **Supplemental Insurance** and **Short and Long Term Disability**.

3. What is the difference between short and long term disability?
3.1. Asks for different volunteers to read aloud the differences and commonalities presented in the table.
3.2. Emphasize that this is an optional type of insurance and ask students for their opinions about the advantages or disadvantages of buying disability insurance.

4. **Exercise** - After discussing this section, ask students the following questions to check for understanding: **(Not in their books)**
   i. Short and long term disability insurance covers 100% of your income in case you can’t work because of an injury or illness. **(No-only a percentage 40%-60%)**
   ii. In Florida, is your employer required to offer short term disability? **(NO)**

5. **Activity**
   5.1. Read the questions aloud and complete the activity together.
   **Answers:** Question #1=short term disability, Question #2 Long term disability

6. **Life Insurance**
   6.1. Ask students if they or someone they know has purchased life insurance. Ask them why people buy this type of insurance.
   6.2. Read the first paragraph to the class.
   6.3. Ask for a volunteer to read # 7. Next, write the word beneficiaries on the board and have the class repeat it after you. **(Post Course Question)**.
   6.4. Briefly summarize the information about types of life insurance provided in the table.
   6.5. Read the paragraph on the bottom of page 11.

D. **Types of Home Insurance | Page 13-14 | 10 minutes**

Ask the class if someone is paying for home insurance. If some say yes, ask them what kind of insurance they have. If no one has this type of insurance, ask for a volunteer to read the first sentence on page 12.

1. **Renter’s Insurance**
   1.1 Ask for a volunteer to read # 1.
   1.2 Briefly explain where they can purchase renter’s insurance.
   1.3 Then, have another student read the sentence about why they should purchase renter’s insurance.

2. **Renter’s insurance activity.**
   2.1 Walk students through the activity. It is better if you read this exercise because it contains many numbers. Make sure students understand terms such “**Personal property limit**” “**liability**”
   2.2 Read the three questions on top of page #14, give students 1 minute to respond them and then ask for volunteers to read their responses. **Answers 1. $250 2. $10525 3. $0.00**
   2.3 Encourage students to complete the “**estimate the value of your possessions**” activity at home.

3. **Home Insurance**
   3.1. Ask for a volunteer to read # 1.
   3.2. Briefly summarize # 2 and encourage students to take the home buying class if they are interested in the topic.
   3.3. To check for understanding you can ask students the following yes-no questions:
      i. Can someone renting a house or an apartment still protect their possessions in the case of fire or flooding **(Yes)** How? **(renter’s insurance)**
      ii. Can a landlord require you as the renter to purchase renter’s insurance **(Yes)**
      iii. If you bought a home but are paying a mortgage, are you obligated to have home insurance? **(Yes)**
4. Ask students to think of one take away from this class. Ask for a few volunteers to share one thing they learned.

Now the class is almost finished. Have the students turn to the last page of the book and complete the Post Test Survey. Read the questions aloud and read through the answers. When the students are finished have them tear off the sheet and hand it in to you. Then place them and the sign in sheet into the class folder.