

DESE Model Curriculum: Business Finance (CIP Code: 52.0803)

GRADE LEVEL/UNIT TITLE: 11-12/Insurance

COURSE INTRODUCTION		
<p>This is an introductory course for Banking and Financial Support Services which also operates a student bank as the implementation practicum. This course also introduces the student to personal finance, including opening and maintaining a checking account, and credit card pitfalls and proper use, a very important skill for all young adults. It is designed to familiarize the student with all aspects of a typical bank including savings, loans, operations, and audit functions. It also covers the history of banking, the organizational structure, and the operations and marketing of a student bank.</p> <p>Course rationale: Financial literacy is essential in meeting the financial challenges of the 21st Century. The course provides valuable experience in running an actual bank while learning to analyze personal financial decisions, evaluate the costs and benefits of their decisions, recognize the rights and responsibilities as consumers, and apply the knowledge learned in school to financial situations encountered later in life.</p>		
UNIT DESCRIPTION	SUGGESTED UNIT TIMELINE	
Insurance is the protection of individuals from loss by the risk-sharing concept of assuming risk of loss by individuals or businesses for a fee. Banks insure against loss of moneys held by banks in the event of failure, and individuals seek insurance for liability, property casualty, life, and health. These costs are a considerable part of our expense of living. We will learn how essential these costs are to our lives.	3 weeks	
	CLASS PERIOD (min.)	50 min.
ESSENTIAL QUESTIONS		
1. What is the purpose of insurance? 2. Why does the Federal Government insure our savings and checking accounts against bank failure? Why is insurance not available for investment account value losses? 3. What are the types of automobile, casualty, and life insurance and my choices when acquiring these insurances? 4. What is home and renter’s insurance and are they necessary? 5. What is life insurance and why do I buy this product? 6. How much coverage is enough? 7. What is the purpose of banks encouraging the purchase of Credit Life Insurance and GAP insurance?		
ESSENTIAL MEASURABLE LEARNING OBJECTIVES	NBEA STANDARD	DOK
1. Determine the need for property and liability insurance through research and evaluation of available products	PF.VIII.3 PF.VIII.4	2
2. Develop a working knowledge of the reasons for insurance and the consequences of inadequate or lack of insurance	PF.VIII.3 PF.VIII.4	3
3. Evaluate alternatives to the risks of liability, property loss, death, illness with its associated medical costs, disability, and financial loss	PF.VIII.3 PF.VIII.4	3
4. Develop an understanding of the difference between pure risk and speculative risk	PF.VIII.3 PF.VIII.4	3
5. Opportunity costs and managing risk	PF.VIII.3 PF.VIII.4	3

DESE Model Curriculum: Business Finance (CIP Code: 52.0803)

GRADE LEVEL/UNIT TITLE: 11-12/Insurance

6. With the recent passage of the Affordable Health Care Act, a working knowledge of this sweeping cost and coverage is essential to understand	PF.VIII.3 PF.VIII.4	4
7. Planning for the future and what lacking adequate insurance can do to derail your financial future	PF.VIII.3 PF.VIII.4	4
Obj. #	INSTRUCTIONAL STRATEGIES	
1-4	1. The teacher will access the Center for Disease Control Actuary Tables for Stats on Causes of Death and introduce the subject of risk. The teacher will explain the purposes of insurance and what is insurable and what isn't. Differentiate between risk and hazard.	
1-5	2. The teacher will identify and discuss the type of insurance associated with different types of risk (e.g., automobile, personal and professional liability, homeowner and renter, health, life, disability, and long-term care. Start with a pre-test of everything they know about each type of insurable risk and what they think insurance covers for that risk.	
2-7	3. The teacher will explain the national policy of FDIC insuring bank accounts up to \$250,000 and why. Tie in with the Great Depression and the run on banks. The teacher will provide a brief introduction to the Cypress banking crisis of recent past. Explain the provisions and costs for the Affordable Care Act and its insurance implications.	
Obj. #	INSTRUCTIONAL ACTIVITIES	
1-3, 5-7	1. Students will research and report to the class everything they learned about Credit Life and GAP insurance. What is it, and why? (They will all be offered these insurance products whenever they buy a car or house and need to be informed on the wisdom or folly prior to that decision point).	
2-5, 7	2. Students will research and produce written products on what are the statistical risks of being hit by lightning, dying in a car accident, being hit by space debris, of being a victim of fire in any given year, of being a tornado victim in any given year. What is the risk of a bank failing?	
1-5,7	3. Students will research and write about what is the risk of being hit by a non-insured driver in this State and any State. Uninsured motorist insurance is offered by all auto insurance companies and in a few states they have a concept called No Fault Insurance. What is the difference and which is best?	