Personal Insurance

Personal Insurance is a one-half credit course designed to help students develop knowledge and skills related to personal insurance, including automobile, homeowners, life, and health. Students examine characteristics of personal insurance policies, develop the skills needed to create a personal insurance plan and learn how to file a claim. Students evaluate individual customer needs and determine the appropriate insurance coverage. Students will also understand the regulatory requirements that govern the insurance industry as well as the business financial risk associated with writing policies.

Career and technical student organizations are an integral co-curricular component of each career and technical education course. These organizations serve as a means to enhance classroom instruction while helping students develop leadership abilities, expand workplace readiness skills, and broaden opportunities for personal and professional growth.

Students will:

**Automobile**

1. Identify the purpose of obtaining and maintaining auto insurance coverage.

2. Analyze the components of the personal automobile policy.
   a. Explain the personal automobile policy liability components related to bodily injury and medical payments, including legal minimum amounts of auto insurance coverage required in Alabama.
   b. Explain the physical damage components of comprehensive and collision insurance such as deductibles and glass coverage.
   c. Explain the importance and operation of uninsured and underinsured motorist coverage.
   d. Identify coverages that can be added to an automobile insurance policy such as roadside assistance and rental reimbursement.
   e. Compare and contrast insurance costs of auto insurance for the same vehicle given two different deductibles and two different liability coverage limits.

3. Determine factors that cause auto insurance costs to fluctuate.
   Examples: age, credit, driver’s education course, driving habits, AB honor roll, traffic citations, accidents, claims history, location, type of vehicle, multiple policies, and inflation

**Homeowners**

4. Identify the purpose of obtaining and maintaining homeowners insurance, including renters’ insurance.

5. Compare and contrast the different types of homeowners’ coverage forms.
   Examples: DP-1, DP-3, HO-3, HO-4
6. Evaluate the property and liability components of a homeowners’ policy as well as optional coverages and endorsements that could be included.
   a. Explain the property components of dwelling coverage, personal property coverage, and other structures coverages.
   b. Explain the liability components of personal liability and medical payments.
   c. Explain the optional endorsements that could be added to a homeowners’ policy such as inflation guard, valuable items coverage, and personal property replacement cost.
   d. Analyze components not covered by a standard homeowner’s policy.
      Examples: mold, flood, terrorism, earthquake, etc.

7. Explain factors that cause homeowners’ insurance costs to fluctuate.
   Examples: inflation, controllable and uncontrollable claims, claims history, incorporated vs. unincorporated areas, fire and policy coverage, alarm/smoke system, construction, age of home, utility discount, geographical location, credit, multiple policies

### Life and Health

8. Identify the purpose of life and health insurance.

9. Explain differences between permanent and term life insurance policies.
   - Permanent = Universal, Whole Life

10. Explain the purpose of an annuity.

11. Develop knowledge-based recommendations to meet the life insurance needs of customers.

12. Explain different policies and options, both group and individual, available for a personal health insurance plan.
   Examples: major medical such as prescription drugs, vision, dental; disability; long-term care.

13. Explain the financial impact of health care on individuals.
   a. Describe how insurance needs change over a person’s life time.

14. Explain factors that influence health and life insurance costs to fluctuate.
   Examples: out of pocket deductibles, wellness, tobacco use, coinsurance, age, location

### Claims

15. Determine procedures needed to effectively file a claim as an insured individual and as an insurance agent.
16. Identify the roles and responsibilities of an insurance adjuster or claims professional.
   a. Assess the incident that caused a claim.
   b. Explain whether or not the insurance company is obligated to pay a claim.
   c. Determine if the claim is covered under the policy.
   d. Determine when an attorney needs to be hired for the insured.

**Regulatory Requirements**

17. Define regulations that ensure compliance and demonstrate adherence to insurance industry regulations.
   a. Explain the role of the Alabama Department of Insurance.
   b. Identify laws that regulate the insurance industry.
   c. Explain the options available in the Affordable Health Care Act.
   d. Explain unclaimed policy management for life and annuities.
   e. Explore ethics in the insurance industry.

**Risk Management**

18. Identify how an insurance agent assists individuals in protecting their financial well-being.
   a. Understand proper liability limits.
   b. Explain replacement cost versus actual cash value.
   c. Determine measures that might reduce costs.
      Examples: replacing wiring, putting new roof on
   d. Identify hazards around the home.
   e. Identify personal wellness.

19. Describe the legal contract obligation of an insurance policy.

**Skills Applications**

20. Build a personal insurance plan for a customer.
   a. Determine the insurance needs of the customer.
   b. Determine financial risks to the company based on customer needs.
   c. Analyze the options available to meet the customer’s insurance needs.
   d. Apply the knowledge and skills needed in order to advise and build a personal insurance plan.

21. Determine career and entrepreneurial opportunities, responsibilities, and education and credentialing requirements related to personal insurance in the insurance sector.