CHAPTER 18 – INSURE AGAINST LOSS

TEXTBOOK QUESTIONS

P2 - Protect Against Loss

1. People should pay for this insurance if they are in an area that is more prone to having these events happen, like in the tornado belts.

2. The service they got was very quick, seamless, and efficient, making the car accident a much less stressed situation.

P3 - What Would You Do

?? I would investigate the specifics of each of the plans and see which of them would be best for me to choose, after calling my insurance company and inquire about the plans.

P5 - Communication at Work – Get Information

1. You could call any worker that works in an insurance agency to find out about insurance and insurance plans.

2. You should write a list of questions to make sure that when you call you don’t miss any important information that you might have wanted to know but could have forgotten while calling.

P8 - 18-1 Assessment

1. Insurance shifts the risk of loss from the individual to the group by making it so its not the individuals problem if whatever they have insured gets damaged because they wouldn’t be paying the expenses out of their own pocket.

2. The three risks are personal risks, property risks, and liability risks.

5. COBRA’s main purpose is to bridge the gap between employer provided insurance and personally bought insurance. The main disadvantage of COBRA is that the worker would have to pay 100% of the premiums on the insurance if they were to buy their previous plan from COBRA.

6. There is a possibility that you will be able to be covered while in college under your parent’s insurance if you’re a dependent under 26 and live in the same state as your parents.

P9 - What Would You Do

?? I would first start looking for other cheaper alternative renters’ insurance and then start working more hours at a job to pay for either the new plan or the original plan.

P12 - 18-2 Assessment

3. Theft, Smoke, Riots, and Vandalism are four things usually covered by homeowner’s insurance.

4. The purpose of renter’s insurance is to insure your personal belongings while renting out another’s living establishment.

P13 - What Would You Do

?? I would get car insurance under my name rather than someone else’s because it could cause complications in legal battles if I get into a car accident.

P17 - 18-3 Assessment

1. 13% of auto accidents are caused by drivers under the age of 25.

2. Four factors that affect the price of insurance are the year, make, model, of the car and the marital status of the driver

P18 - Medical Urgent Care and Convenient Health Clinics

1. Some reasons walk in clinics are so popular is because they treat most illnesses, while being open most hours of the day with no need for making an appointment.

2. Several possible disadvantages of using walk in clinics is that most urgent cares do not have specialized doctors to treat illnesses that nurses would not be able to treat, and they cannot treat extremely serious injuries.

P21-22 - Think Critically

23. Some different family situations that would have a great need for life insurance would be jobs that have the parents at a higher risk of death while on the job. This could include military personnel, police officers, firefighters, and government agents like the secret service and the CIA.

24. Different perils that would be in different parts of the country would be tornadoes, floods, possibly avalanches in more mountainous regions, hurricanes, and blizzards.

27. I don’t believe that motorcyclists should have to pay proportionally higher insurance rates because although they are choosing to drive motorcycles and if they choose to do this they should be prepared of the possibly consequences, but motorcycles are less likely to cause an accident.