



Chapter One Lesson Plan

Introduction to Insurance

Note to Teacher

Please download the Introduction to Insurance PowerPoint that can be customized to fit your classroom time. Also, we recommend having students review the *Invest online curriculum*, Chapter One: Introduction to Insurance in advance of this lesson.

Course Objective

This chapter provides the foundation for insurance and risk management. After completing this chapter, your students should be able to:

- Describe how insurance began and the way it has evolved over time.
- List the benefits and costs of insurance.
- Explain how the insurance industry is organized.
- Describe the two general principles of insurance.
- Define basic insurance terms.

Introduction

- **Optional – Introductions with Insurance Professional Volunteers**
Have insurance professionals introduce themselves including information on the insurance company they work for and what they do in the insurance industry.
- Review Course Objectives (slide 2).
- Call on student(s) to answer, “What Do You Know About Insurance?” (slide 3)

Instructional Content

History of Insurance

- Review A Brief History; the Benefits of Insurance; Guess Who Started US Insurance; and FireMarks (slides 4-9)

Insurance Principles

- Call on student(s) to answer, “What is Insurance?” (slide 10)
- Review Insurance Defined (slide 11)
- Watch 2-minute video, [Basic Principles of Insurance](#) – link embedded (slide 12)
- Call on student(s) to answer, “Why is Insurance Important?” (slide 13)
- Review Why Insurance and Benefits and Costs of Insurance (slides 14-18)
- Watch 30 second video, [Insurance Fraud](#) – link embedded (slide 19)
- Call on student(s) to answer, “What could be another example of insurance fraud?” (slide 20)
- Review General Principles of Insurance Cont. (slides 21-24)

Basic Insurance Terms

- Review Basic Insurance Terms (slide 25)
- Call on student(s) to answer, “What does the term risk mean?” (slide 26)
- Review Risk Defined; Pure vs Speculative Risk; and Peril and Hazard Defined (slide 27-30)
- Watch 90 second video, [Perils vs Hazards](#) – link embedded (slide 31)
- Call on student(s) to answer, “What is the difference between a peril and a hazard?” (slide 32)
- Review Loss Defined and Direct vs Indirect Loss (slide 33-34)
- Call on student(s) to answer, “What’s an insurance example of a direct vs indirect loss? (slide 35)
- Review An Insurance Policy Defined; Reinsurance Defined; How the Insurance Industry is Organized (slides 36-40)

Types of Insurance

- Question for student(s), “Name a type of insurance?” (slide 41)
- Review Types of Property and Casualty Insurance (slide 42)

Classroom Activity - Risk and Perils

Students will divide into teams where they will identify if the pictures on each slide are examples of a risk or a peril. For each picture they also must come up with an explanation to justify their answer on if it is a risk or peril. Each team must assign a scribe and a speaker.

Instruction Summary Slides 44-45 and Game Slides 46-69

The scribe’s role is to write the team’s answer (risk or peril) along with an explanation (why is it a risk or peril) on a piece of paper or notecard. **The speaker’s role** is to share out loud their team’s explanation.

RULES

- The first ***Risk or Peril...and Why?*** slide is shown. Each team’s scribe must write a complete answer including if it is a risk or peril and explain why before their team speaker can stand up. All the speakers must be standing before the first team’s speaker is allowed to share their answer. The instructor must pay attention to which group’s speaker was the first to stand up. Then, the speaker shares whether the slide shown was a **“Risk or Peril...and Why?”**
- If the first team’s speaker answers correctly on if it is a risk or peril they are given **one point**. If they also provide a credible explanation on why it’s a risk or peril they are given an additional **one point**, for a total of **two points**. The other team(s) are then given an opportunity to score **1 point** if they correctly answer if it is a risk or peril AND also provide a credible explanation on why it is a risk or peril.
- The next round begins showing the next ***Risk or Peril...and Why?*** slide. **One point – risk or peril** is only given to the first team that correctly answers if it is a risk or peril. The team that first correctly answers risk or peril is also given an additional point *if* they provide a credible explanation as to why it is a risk or peril. **One point – explanation** is given to all teams that correctly answered if it was a risk or peril AND provide a credible explanation on why it is a risk or peril.

Frequently Asked Questions

What if the first team to stand answer's incorrectly on if it's a risk or peril? The second team to stand has an opportunity to answer with the potential of receiving 2 points. The remaining teams then have an opportunity to score 1 point if they correctly answer both if it was a risk or peril correctly AND also provide a credible explanation on why it is a risk or peril.

What if a team answer's incorrectly if it's a risk or peril but provides a credible explanation? No points are earned as they got the initial question wrong.

What if the first team answer's correctly on it being a risk or peril but doesn't provide a credible explanation? They only score 1 point.

What if the team speaker says something different from what was written by the scribe? They are disqualified from that round and get no points.

What if the team speaker stands before the scribe has completed writing? They are disqualified from that round and get no points.

Insurance Professional Volunteers

We strongly encourage teachers to consider including a local insurance professional to participate in this classroom connection activity. Our Invest team is here to help connect you to volunteers near you! Visit investprogram.org/teacher to complete our school interest form.

Scholarships

We are committed to helping more young people pursue insurance careers. We are pleased to help Invest students continue their insurance education by offering both Classroom to Career and College-Bound scholarship opportunities. Learn more at investprogram.org/scholarship or see slides 70-73.

More Insurance Related Content

The Invest program has a plethora of insurance content you can add to your classroom. Visit investprogram.org/connect to join the Invest team for a LIVE 30-minute small group chat. Our live chats range from Invest 101, How to Launch an Invest program, Insurance Classroom Connection Day and Teacher Connect.