

Student Name _____

The Wild West



An Insurance Game

Fact Sheet



Home value: \$250,000 (structure, not land value)

Personal property value: \$120,000

Actual cash value: \$80,000

Land/location: Located on the edge of a beautiful national forest, this home has views of the mountains, as well as a gentle river. Ocean beaches are just three miles away along a smooth, flat road.

Disclosure: There is an earthquake fault within 30 miles of this home, but it has not been active for 15 years. There has also been wildfires in the national forest near your home every summer, but have never directly impacted you.

Car value: \$25,000. You own it outright. No payments.

Disclosures: You drive to work every day an average of 40 miles round trip. This trip includes rural roads, as well as city traffic. You have narrowly missed two car accidents in the past years.

Health factors:

It is cold and flu season.

You play several sports and enjoy mountain biking, skiing/snowboarding, and skateboarding. Several of your activities are done far from home and away from your family doctor.

Budget: Your monthly budget for all of your insurance needs is **\$1,000**.

Homeowner Insurance Policy Selection

Homeowner insurance pays for damage to your home or loss of personal property from a fire, theft, wind damage, and water infiltration such as a burst pipe or compromised roof. It also provides coverage for any **personal liability** and **additional living expense (ALE)** from a covered event.

This plan will cover your:

- Home structure (the building itself)
- Other structures (outbuildings, sheds, etc.)
- Personal property (TV, clothes, food, tools, etc.)
- Personal liability (if someone is insured at or by your property)
- Additional living expense (caused by a loss from a claim or civil authority)

Exclusions:

This policy **DOES NOT COVER:** Damage caused by abuse or neglect to home; and earthquakes, flood, or criminal activity. It also does not cover automobiles.

1) Select your coverage limits (the total amount your plan will pay per incident).

Coverage	Limit	Costs (monthly)	Selection
Home structure	\$250,000	\$30	\$30
Other structures	\$25,000	\$15	\$15
Personal property (choose one)	\$100,000	\$25	
	\$50,000	\$15	
	\$20,000	\$10	
Liability (Choose one)	\$500,000	\$40	
	\$250,000	\$25	
	\$100,000	\$10	
		Coverage costs	\$

2) Choose your deductible. How much do you want to pay out of pocket before your insurance will pay?

Deductible	Cost	Selection
\$2,000	\$10	
\$1,000	\$20	
\$500	\$30	
		Deductible cost
		\$

3) Add your coverage costs and deductible costs to determine your monthly premium for your homeowner policy:

Total homeowner insurance premium cost: \$

Health Insurance Policy Selection

Health insurance pays for your medical needs, including 10 essential health benefits:

- Ambulatory (outpatient) services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance abuse disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services, including oral and vision care

5) Choose your health plan

Coverage	Deductible	Co-pay	Maximum out of pocket	Premium	Selection
Health One Insurance	\$500	\$25	\$1,500	\$400	
Blue Sky Health Insurance	\$1,000	\$20	\$2,000	\$300	
Live Well Health Insurance	\$2,000	\$10	\$5,000	\$200	

When you need medical care, you pay out of pocket until you have met your **deductible**, then half of costs or a **co-pay** until you meet your **maximum out of Pocket**. Some care, such as a visit to a primary care doctor, charges only a co-pay.

6) Choose a health provider network

Health maintenance organization (HMO):

HMOs have their own network of doctors, hospitals, and other health care providers who have agreed to accept payment at a certain level for any services they provide. This allows the **HMO** to keep costs lower for its members. There is zero benefit for out-of-network care. *If you visit a doctor outside of the HMO network, you pay 100 percent of the charges.*

Add \$25 to your premium

Preferred provider organization (PPO)

PPO plans, or "preferred provider organization" plans, are one of the most popular types of plans in the individual and family market. **PPO** plans allow you to visit whatever in-network physician or health care provider you want to without first requiring a referral from a primary care physician. *If you visit a doctor outside your PPO network, you pay half of the charges.*

Add \$50 to your premium

Your total premium (plan plus network): \$

Flood Insurance Policy Selection

(Optional)

Flood insurance pays for damage to your home or loss of personal property from a flood or tsunami. A flood is defined as inundation of two or more acres of normally dry land or two or more properties (at least one of which is your property). This can be brought on by landslides, hurricanes, earthquakes, or other natural disasters that cause flooding.

Personal property:

Flood insurance pays for the **actual cash value** of your personal property, not the cost to replace your property. For example, your 5-year-old TV's actual cash value is \$300 today. To replace it would be \$1,200. Flood Insurance will pay you only \$300 for the TV.

NOTE: The actual cash value of your personal property is \$80,000.

4) Select your coverage limits (the total amount your plan will pay per incident).

Coverage	Limit	Costs (monthly)	Selection
Home structure	\$250,000	\$15	\$15
Personal property (choose one)	\$100,000	\$5	
	\$50,000	\$3	
	\$20,000	\$1	
		Coverage costs	\$

5) Choose your **home structure deductible**. How much do you want to pay out of pocket before your insurance will pay?

Deductible	Cost	Selection
\$10,000	\$10	
\$5,000	\$20	
\$1,000	\$30	
		Deductible cost
		\$

6) Choose your **personal property deductible**. How much do you want to pay out of pocket before your insurance will pay?

Deductible	Cost	Selection
\$2,000	\$10	
\$1,000	\$20	
\$500	\$30	
		Deductible cost
		\$

Total flood insurance premium cost: \$

Earthquake Insurance Policy Selection

(Optional)

Earthquake insurance pays to repair damage to your home caused by an earthquake. It can also cover other structures not attached to your house, such as a garage. It also pays for **replacement costs** or **actual cash value** of personal property damaged by an earthquake. It may cover increased costs to meet current building codes and costs to stabilize the land under your home. It also pays for extra living expenses (ALE) you may have while your home is being rebuilt or repaired.

Earthquake insurance does not cover flood damage caused by a tsunami, which is triggered by an earthquake. You need flood insurance for tsunami coverage.

Earthquake insurance is not included in your homeowner insurance policy.

- 7) Select your coverage limits (the total amount your plan will pay per incident).
Personal property coverage will pay **replacement costs**.

Coverage	Limit	Costs (monthly)	Selection
Home structure	\$250,000	\$10	\$10
Other structures	\$25,000	\$5	\$5
Personal property (Choose one)	\$100,000	\$5	
	\$50,000	\$3	
	\$20,000	\$1	
		Coverage Costs	\$

- 8) Choose your deductible. How much do you want to pay out of pocket before your insurance will pay?

Deductible	Cost	Selection
\$2,000	\$10	
\$1,000	\$20	
\$500	\$30	
		Deductible cost
		\$

- 9) Add your coverage costs and deductible costs to determine your monthly premium for your earthquake insurance policy:

Total earthquake insurance premium cost: \$

Emergency Fund

\$10,000

Use this document to track your emergency expenses

- Deductibles
- Co-pays
- Other out-of-pocket expenses

(Add funds you have remaining after buying insurance)

\$10,_____.00
-
-
-
-
-
-
Total:

Event Tracker Sheet

Use this sheet to track your monthly expenses.

What is your total monthly insurance premium? \$ _____ x ____ = _____

Month one:

Event	Insurance costs	Your costs (Deductibles/ co-pays)
	\$	\$

Month two:

Event	Insurance costs	Your costs
	\$	\$

Month three:

Event	Insurance costs	Your costs
	\$	\$

Month four:

Event	Insurance costs	Your costs
	\$	\$

Month five:

Event	Insurance costs	Your costs
	\$	\$

Month six:

Event	Insurance Costs	Your Costs
	\$	\$

Event costs	\$	\$
Premium totals		\$
Grand totals	\$	\$