**Life Insurance Project**

**Jamie’s Case Study**

Jamie is starting out on her own in rural areas in Illinois and wants to be responsible. She has a steady job with benefits, a car, and an apartment in an old farmhouse. She understands that insurance may help minimize some financial risks, nut she can’t afford to purchase every policy she wants within her budget, she has determined that she can spend up to Rs. 2150 per year on premiums. After doing some careful research to figure out which choices would be best for her at this point in her life, here’s what Jamie decided.

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| **Medical Insurance – In Place**  Through her employer, Jamie pays a premium of Rs. 103 per month   * Rs.30 copay for doctor visits * Rs.10 copay for prescriptions * Rs.0 copay for annual physical * Rs.50 copay for emergency room visits   Jamie pays 20% of the cost of medical procedures | **Dental Insurance – Declined**  Through her employer, Jamie would have paid a premium of Rs. 27 per month  Jamie brushes and flosses every day, so she felt like she could do without this insurance for a couple of years | **Vision Insurance – In Place**  Through her employer, Jamie pays a premium of Rs. 2 per month   * Rs. 30 copays for eye doctor visits * Rs.10 copay for prescriptions * Rs.0 copay for annual eye exam |
| **Renter’s Insurance – Declined**  Jamie would have paid a premium of Rs. 16 per month  There is little to no crime in Jamie’s area, and she can’t imagine a fire or flood affecting. Her | **Disability Insurance – In Place**  Paid by Jamie employer. She doesn’t have to pay a premium, deductible, or copay for this policy. | **Auto Insurance – In Place**  Jamie pays and annual premium of Rs.889  This type of insurance is required by the law. Jamie pays a Rs.300 deductible for claims (including coverage for glass replacement and towing) |

**Life Happens**

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| **Month** | **What Happened** | **Which insurance would cover this?** | **Did Jamie have coverage** | **How much will Jamie have to pay? (If she has life insurance, what is her copay or deductible?)** |
| January | Jamie got sick and visited the doctor.  Without insurance, the appointment cost Rs.120 and the antibiotics cost Rs.110. | Medical Insurance | Yes | Without Insurance – Rs. 230  With Insurance – Rs. 40(copay) |
| March | Jamie fell on ice while hiking and had to get stitches in the emergency room. Without insurance, the procedure cost Rs.250. | Medical Insurance | Yes | Without Insurance – Rs. 250  With Insurance – Rs. 50(copay) |
| July | A kitchen fire in the apartment next door caused the sprinkler system to activate in Jamie's apartments well. Her couch, her television, her computer, anther bookcase was ruined. The cost of the damage was Rs.2,500. | Renter’s Insurance | No | Without Insurance – Rs. 2500 |
| September | Jamie hit a deer when driving home from work. She wasn’t hurt, but the damage to her car was Rs.3,400. | Auto Insurance | Yes | Without Insurance – Rs. 3400  With Insurance – Rs. 300(deductibles) |
| October | Jamie got dirt in her eye while  picking fruit at a local farm. She went to the eye doctor when her eye became red and swollen, the doctor prescribed eye drops. Without insurance, the appointment cost Rs.150, and the eye drops cost Rs.90. | Vision Insurance | Yes | Without Insurance – Rs. 240  With Insurance – Rs. 40 |

1. **Summarize the costs**

**Based on the insurance coverage Jamie had in place, how much did she have to spend herself that year? How much more would it have been if she didn't have any insurance (including copays, deductibles, and the premiums)?**

Jamie paid a total of Rs. =5080, Out of which Rs.2150 went as premiums, Rs. 2930 were copays, deductibles and damages caused without insurance.

If she didn’t have any insurance, she would have been liable to pay Rs. 6620.

Therefore, we can say insurances helped her save Rs. 1840. She could also have saved Rs.2008 by taking a Render’s Insurance which would have covered the Damages caused by the fire in the neighborhood.

1. **Consider insurance in your life**

**Life is full of surprises. Insurance is there to help us when things go wrong. What types of unexpected life events (illness, accident, surgery, natural disaster, dental emergency, etc.) have happened to you or to your family or friends in the past year that may have caused a financial burden? Which types of insurance coverage would be most helpful to protect people in these instances?**

In the past 1 year, Insurances have financially helped us in various incidents. For example: there was a short circuit at my home which caused sparking and various electrical appliances were damaged. Insurance covered all the damages caused to the electrical appliances. Another example is when my grandmother got sick, the hospital bill was covered cashless by insurance.

According to me, the most helpful insurance covers are medical, auto and renders insurance, as humans are more prone to illness in the era of pandemic, car accidents are also very common now-a-days. Living in a metropolitan city is beneficial but it also provides the risk of increased crime rate, therefore a renders insurance is necessary depending in the surrounding

1. **Jamie gives advice**

**Imagine that Jamie's cousin is getting ready to graduate and start his first job in a new town. After meeting with his new employer, he's asked Jamie for advice on whether insurance is worth the cost or not. Prepare a response as if you're Jamie, giving general advice about the important role insurance can have on a person's financial life. Include at least two examples from Jamie's experiences.**

Insurances are really important, as they share the financial risks, the help us financially during the most unexpected events and miss happenings of life. Jamie’s life experiences also tell us that, she saved Rs.1840 by the help of insurances, and she could have saved more by taking some other insurances. Auto Insurance cover provided her financial help when she had an accident with the dear. She also saved a lot of money by taking medical and vision insurances.