**EXTRATERRESTRIAL INSURANCE**

Every cautious person has insurance for major medical expenses, life insurance and affiliation to the health system for any contingency.

But what if the damaged is caused by extraterrestrials, will insurance cover it?

Existence of aliens is still debatable but certain UFO sightings by U.S. Navy pilots and finding some [unidentified flying objects](https://en.wikipedia.org/wiki/Unidentified_flying_objects) are controlled by a non-human intelligence or built using alien technology leads to the possibility of an alien invasion or abduction. Alien abduction or attack theories have been the mainstay of extraterrestrial studies and sci-fi films for several decades now.

Will it be covered under life or health insurance? Well, to claim these insurances we need proper proof of the deceased or the person suffering from any illness respectively. But will damaged caused by the alien have proofs, it will lead to various discussions and a huge burden on the insurance companies.

To understand further we can take a look at the current pandemic which shook the world to another extent. There was a lot of confusion created in insurance companies as they didn’t know whether to accept people’s claims as such unusual events were not predicted before hand.

To avoid such confusion, I would like to introduce a new product ‘EXTRATERRESTRIAL INSURANCE’.

The premium amount will be Rs. 70 each month for the whole life. The policy offers a coverage of Rs. 2 crore for any damage.

During an alien attack, if at any case evacuation is necessary, the policy also offers to cover their expenses to go to safer places like Mars.

Scientists are still trying to discover if life is possible in mars. Till date Cumulative evidence suggests that during the ancient [Noachian](https://en.wikipedia.org/wiki/Noachian) time period, the surface environment of Mars had liquid water and may have been [habitable](https://en.wikipedia.org/wiki/Planetary_habitability) for microorganisms, thus increasing the probability of life existing in mars.

We have tie-up with the Indian Space Research Organisation (ISRO), with the help of which we will be able to help the insured to evacuate to a safer place and bearing minimal costs.

Not only an alien attack, any extraterrestrial cause like damage caused of asteroid or meteoroid fall might also be covered. As there are hundreds of asteroids falling in Earth everyday but the burn out because of the atmosphere but some which are larger in size may fall on the earth and it will have impact.

Though there are only few cases where a person was hurt because of an asteroid but the possibilities of getting hurt is always there.

The target group would be teenagers and young adults mainly. People from both urban and rural areas are targeted.

The distribution channel preferred is market intermediaries, that is agents and brokers as the product can be well explained when they can talk physically, by this people will get a clear idea of what the policy about. Apart from this marketing through direct responses, that is mails, social media etc will also be done.

The product also offers rider such as the Guaranteed Insurability Rider which allows a person to purchase additional insurance coverage in the stated period for their respective family members or anyone they wish. The premium will be increased a little according to the number of people the insurer wishes to cover.

The product will work in India as the threat against aliens are equal for all the nations and there is no exception for India.

(2) JAIME’S CASE STUDY

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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 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** | **Rs 30 copay for doctor visit and Rs 10 copay for prescription** |
| 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** | **Rs 50 copay for emergency room visit** |
| July | A kitchen fire in the apartment next door caused the sprinkler system to activate in Jamie’s apartment as well. Her couch, her television, her computer, and her bookcase were ruined. The cost of the damage was Rs.2,500. | **Renter’s Insurance** | **No** | **Rs 2,500**  **She has no insurance.** |
| 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** | **Rs 300 deductible** |
| 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** | **Rs 30 copay for doctor visit and Rs 10 copay for prescription** |

**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)?**

Jaime had four insurances which were health, vision, disability and auto insurance. She pays all the premiums and the premium for disability insurance is paid by her employer. Jaime paid a total of Rs. 2,930 (30+10+50+2500+300+40) for the incidents that year. If she did not have any insurance she would have paid Rs. 6,620 (120+110+2500+3400+150+90).

She pays a total of Rs. 2149 [(103\*12)+(2\*12)+889) for premiums. Thus, if she didn’t have insurance, she would have had to pay Rs. 1,541 (Rs.6,620 – Rs. 2,930 – Rs. 2,149) extra.

**2. 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?**

Health Insurance will be one of the most useful insurance product when it comes to any kind of illness. For example, the current pandemic situation of covid-19. Several people across the globe had suffered due to the virus and millions of people were hospitalized, the time period of people varied, some could have been in the hospital for a week and some for moths and more. Accordingly their expenses also increased. If they had insurance then it would have been easier for them as they could raise their claim and the company would bear some of their expenses thus relieving them a bit amongst the sad situation.

But I cannot say that health is only the important insurance, life and even disability insurance would also help in risk sharing, as during the pandemic a lot of people lost their lives too. The families of the deceased can claim if he/she is insured. Thus helping the family financially.

To take an example, my mother was hospitalized for a major surgery due to an intestinal issue. She was insured and we got some of the claim thus reducing some burden of ours.

**3. 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.**

Yes, I would definitely say that insurance is important as it can help you share your risk and burden from any contingencies. It is like purchasing a protection against unexpected financial losses. The insurance company will pay you or someone you choose if something bad happens to you. If you have no insurance and an accident happens, you may be responsible for all related costs. Having the right insurance for the risks you may face can make a big difference in your life.

For example, I hit a deer when driving home from work. I didn’t get hurt but my car was damaged and for the repairs it costed me Rs. 3,400 but I had an auto insurance thus I had Rs. 300 deductible hence reducing my burden.

Similarly, I was denied renter’s insurance and when the sprinkler system got activated because of a fire in the next apartment, my house got damaged, I had to bear the whole amount.

Thus, having an insurance would be beneficial as in future when you will get married, your wife will not financially struggle if something happens to you in future, especially if you would be the sole bread-winner of the family.