LIFE INSURANCE : case study (100 marks)

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PRODUCT DESIGN (40 marks)

Skill / profession Insurance

This insurance particularly is for working adults with acquired skills, knowledge or profession which has/would particularly be threatened with growing technology or definitely major change in fashion or lifestyle in the world, one reason could also be the invention of new gadgets or new ideologies.
In a world of instant gratification, some skills have been going out of use in a subtle way. For example, particularly due to printers, typewriters for the most part have basically become very outdated and out of use, or so they essentially thought. Due to globalization and new technologies developing over a generally short period of time, people generally have to for the most part adapt to the environment every now and then in a subtle way. Some types of learnt knowledge and skills might need to be updated or might not particularly be of any use at all in a sort of major way.
With this policy one would actually be compensated adequately for their loss of pre-existing knowledge and the money that the knowledge brought in, which is quite significant. from the previous example- the typewriter manufacturing companies must literally have collapsed and pretty many people would particularly have experienced loss of income fairly due to uprising technologies. This policy would really have compensated them for that loss they gave security for the time being until they found a new source of income, which literally is fairly significant.
This product would kind of have a comparatively lesser premium than that of other policies as the probability of the event taking place specifically is pretty much lesser in a very major way. The underwriting process would mostly be kind of simpler as the only information to for the most part be known would generally be the profession or generally skill of the buyer in a subtle way.
Example: with the help of definitely artificial intelligence, a new software basically is created which particularly is capable of doing all the calculation an actuary is capable of doing, for all intents and purposes has all the knowledge an actuary specifically has and essentially is capable of giving advice based on various parameters like an actuary would generally do in a actually big way.
A working actuary could mostly buy this insurance policy to keep themselves covered for the loss of use of skills they have acquired over time, since they literally are no longer able to kind of provide their services for the price they definitely deserve as a software would kind of be generally cheaper to basically buy rather than appointing an actuary for the companies, which essentially is fairly significant.

CSE STUDY (60 marks)

Month	**What happened?**	**Which insurance would cover this?**	**Did Jamie have coverage?**	**How much will Jamie have to pay?**
January	Jamie got sick and visited the doctor. Without insurance the appointment cost Rs 120 and the antibiotics cost Rs110 .	Medical insurance	yes	46 as 20% of the medical procedure, 40 as copay. Total -86
March	Jamie fell on ice while hiking and had got stitches in the emergency room. Without insurance the procedure cost Rs250.	Medical insurance	yes	50 as 20% of medical procedures,50 as copay. Total-100
July	A kitchen fire in the apartment next door caused the sprinkler system to activate in jamie's apartments, her couch , her television, her computer and her book case were ruined. The cost of the damage was 2500	Renters insurance	no	2500
September	Jamie hit a deer when driving home from work. She wasn't hurt but the damage to her car was Rs 3400	Auto insurance	yes	300
October	Jamie got dirt in her eyes 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 rs90	Vision insurance	yes	40 as copay

1] since Jamie had an insurance cover in place therefore she had to only spend-
Total Premium-2149
Total Copay-130
Medical procedures-96
Additional expenses which insurance didn't cover-2500
Deductible claim: 300
Total= 5175
Without insurance-
Medical Procedures- 720
Additional expenses- 5900
Total- 6620
If she didn't have an insurance cover- she would have to pay 1445 more.

2] Recently my Masi of 30 years passed away due to an unexpected brain hemorrhage. She was unmarried and the only child to her retired parents. The lack of a life insurance policy had many disadvantages to her and her immediate family. The sudden accident called for immediate treatment which cost a lot because of a 20 day icu treatment. Mediclaim insurance would have been very helpful in this situation as the entire medical expenses would have been taken care of and also her savings would have been saved. She had taken care of Emi, so in this way Whole life insurance would have helped so that the loan could be repaid and the remaining money would help the parents through their retirement.

3] The life and property of an individual are surrounded by the risk of death, disability or destruction. These risks may result in financial losses. Insurance is a prudent way to transfer such risks to an insurance company. Insurance, according to me, is worth the cost as you need to pay a regular premium but you are paying for your own safety in case of any losses then you are covered. Insurance is just a safety investment that we make so it is important as it not just gives you financial security in some cases but also it gives mental peace as if something happens to me then there is a provision for my family or for my dependents. I have been in accidents and have gotten sick. Medical insurance has helped me save a lot of money on treatments. Recently I also ran my car into a deer and got my car damaged, due to my insurance i got covered for expenses over rs 3100.