LESSON PLAN

Grade level:	**UBC BEd.**	**Your name:**	**Raymond Ye**	**Theme:**	Financial Literacy
Subject:	**???**	**Title of Lesson:**	**Introduction of Insurance Product Pricing**	**Lesson duration:**	10 Minutes

Big Ideas:

- Understand the logic of product pricing in the real world

Objectives [teacher's rationale for this lesson – key questions]

- Understanding mechanism of pricing helps everyone to understand the nuances of risks in life.

First Peoples Principles of Learning

- Learning involves recognizing the consequences of one's actions.
  - Insurance Risk is an evaluation of consequences through one's action

Curricular Competencies: What students will *DO*

Students will be able to use the following creative processes to create and respond to art:

- Student will be able to decipher an insurance quotation and critically evaluate the quoted price.

Content: What students will *KNOW*

Students are expected to know the following:

Student will be able to decipher an insurance quotation and critically evaluate the quoted price. Students will be able to identify the following in insurance process:

- Underwriting Factors
- Nature of Risk
- Pricing strategies

Materials & Technologies

Students will use the following materials, tools, equipment

- Students will not use any tools.

Pre-Class Preparation

The teacher will need to make the following preparations prior to the class(es)

- *Teacher should prepare content on the whiteboard for the presentations.*
  - *As an optional backup, you can print out the slides for each student to use as a reference.*

Resources & References
As there is limited time to setup presentation, the following diagrams will be used as part of the presentation

Diagram 1

Car Insurance Claim Cost of Last Year

Raymond: 100

Caris: 20

Leon: 120

Burning Cost method evaluates the pricing through learning average cost (or experience)

In the case above, the insurance company can work out the average cost per person should be 80.

On top of that they build administration and contingency costs into the average.

Diagram 2

A more complicated approach

Raymond (26- 35): 100

Kevin (26- 35): 20

Leon (18 - 25): 300

Krystal (18 - 25): 100

Pricing can then be based on the segments of age. 26-35 has an average price of 60, 18 - 25 has an avergae of 200.

Diagram 3

What do you think they do on the first year? (Assessment)

Lesson *(Teacher Action/Student Action)*			
Resources	**Time**	**Teacher**	**Student**
	00:00 *2:00*	Introduction to the topic of insurance pricing	N/A
	02:01 *03:00*	Listen in on conversations	Quick discussion on what factors can be used for a car insurance
	03:01 *04:30*	N/A	Present the list of factors from previous discussion
	04:31 *06:00*	Review the discussion result and present the typical factors used in a car insurance	N/A
Diagram 1 Diagram 2	*06:00* *08:30*	Discussion of Burning Cost approach and risk segmentation	N/A
Diagram 3	*08:31* *10:00*	Ask students with the question to extend their understanding	Think and respond to the question

Assessment/evaluation

- Last question should help teacher to gauge the student's understanding and extension to the topic.

Adaptations/Modifications

I would provide the content in printed format or pdf format and hand them to students.

Extensions/Possible Cross-curricular Connections

1. **This can be linked to Math or Financial literacy courses to discuss the topic of probability density and the cost of insurance in budgeting.**