

Claim Cost Sort

Find the claim-year cost before you choose.

MA.912.FL.4.1 "Calculate and compare various options, deductibles and fees for various types of insurance policies using spreadsheets and other technology."

NAME _____

DATE _____

AT OR BELOW BUDGET

A policy is **WITHIN** when its annual premium, deductible, and policy fees total \$1,800 or less for one covered claim.

A renter policy has a \$780 annual premium, a \$400 deductible, and a \$35 policy fee. Its total is \$1,215, so it is **WITHIN**.

ABOVE BUDGET

A policy is **OVER** when its annual premium, deductible, and policy fees total more than \$1,800 for one covered claim.

A boat policy has a \$1,050 annual premium, a \$700 deductible, and a \$90 policy fee. Its total is \$1,840, so it is **OVER**.

1 SORT 8 items

Use a spreadsheet or calculator to add the annual premium, deductible, and fees for each policy, then circle **WITHIN** for \$1,800 or less or **OVER** for more than \$1,800, and choose two items to explain how their totals fit their categories.

- | | | |
|-----------|--|---|
| 1. | 1. Auto policy: \$960 annual premium, \$700 deductible, \$90 policy fee. | <input type="button" value="WITHIN"/> <input type="button" value="OVER"/> |
| 2. | 2. Dental policy: \$1,100 annual premium, \$600 deductible, \$60 policy fee. | <input type="button" value="WITHIN"/> <input type="button" value="OVER"/> |
| 3. | 3. Pet policy: \$900 annual premium, \$950 deductible, \$75 policy fee. | <input type="button" value="WITHIN"/> <input type="button" value="OVER"/> |
| 4. | 4. Motorcycle policy: \$1,260 annual premium, \$450 deductible, \$65 policy fee. | <input type="button" value="WITHIN"/> <input type="button" value="OVER"/> |
| 5. | 5. Home policy: \$1,080 annual premium, \$800 deductible, \$140 policy fee. | <input type="button" value="WITHIN"/> <input type="button" value="OVER"/> |
| 6. | 6. Travel policy: \$1,450 annual premium, \$300 deductible, \$100 policy fee. | <input type="button" value="WITHIN"/> <input type="button" value="OVER"/> |
| 7. | 7. Bicycle policy: \$720 annual premium, \$900 deductible, \$150 policy fee. | <input type="button" value="WITHIN"/> <input type="button" value="OVER"/> |
| 8. | 8. Vision policy: \$1,320 annual premium, \$400 deductible, \$125 policy fee. | <input type="button" value="WITHIN"/> <input type="button" value="OVER"/> |

2**PROVE IT**

Explain your thinking

Pick two items from Part 1. For each one, tell how you knew where it belonged.

ITEM # _____ **HOW I KNEW** _____

ITEM # _____ **HOW I KNEW** _____

3**MAKE YOUR OWN**

One of each

Write one new insurance policy example that is **WITHIN** and one that is **OVER**. Include an annual premium, deductible, policy fee, and total cost for each example.

WITHIN

OVER

CHALLENGE

Two policies provide the same coverage for one claim. Policy A has a \$1,120 annual premium, a \$500 deductible, and an \$80 policy fee. Policy B has a \$930 annual premium, a \$700 deductible, and a \$125 policy fee. Which policy has the lower claim-year cost, and how much less does it cost?

PART 1 • SORT

#	ITEM	CATEGORY	WHY
1	1. Auto policy: \$960 annual premium, \$700 deductible, \$90 policy fee.	WITHIN	$\$960 + \$700 + \$90 = \$1,750$, which is at or below \$1,800.
2	2. Dental policy: \$1,100 annual premium, \$600 deductible, \$60 policy fee.	WITHIN	$\$1,100 + \$600 + \$60 = \$1,760$, which is at or below \$1,800.
3	3. Pet policy: \$900 annual premium, \$950 deductible, \$75 policy fee.	OVER	$\$900 + \$950 + \$75 = \$1,925$, which is more than \$1,800.
4	4. Motorcycle policy: \$1,260 annual premium, \$450 deductible, \$65 policy fee.	WITHIN	$\$1,260 + \$450 + \$65 = \$1,775$, which is at or below \$1,800.
5	5. Home policy: \$1,080 annual premium, \$800 deductible, \$140 policy fee.	OVER	$\$1,080 + \$800 + \$140 = \$2,020$, which is more than \$1,800.
6	6. Travel policy: \$1,450 annual premium, \$300 deductible, \$100 policy fee.	OVER	$\$1,450 + \$300 + \$100 = \$1,850$, which is more than \$1,800.
7	7. Bicycle policy: \$720 annual premium, \$900 deductible, \$150 policy fee.	WITHIN	$\$720 + \$900 + \$150 = \$1,770$, which is at or below \$1,800.
8	8. Vision policy: \$1,320 annual premium, \$400 deductible, \$125 policy fee.	OVER	$\$1,320 + \$400 + \$125 = \$1,845$, which is more than \$1,800.

PART 2 • PROVE IT

Accept any explanation that names the deciding feature from the rule box for the chosen item.

PART 3 • MAKE YOUR OWN (SAMPLE ANSWERS)

- **WITHIN:** A flood policy has a \$900 annual premium, a \$650 deductible, and a \$100 policy fee. Its total cost for one covered claim is \$1,650, so it is WITHIN.
- **OVER:** A phone protection policy has a \$1,300 annual premium, a \$450 deductible, and a \$200 policy fee. Its total cost for one covered claim is \$1,950, so it is OVER.

Challenge: Policy A costs \$1,700. Policy B costs \$1,755. Policy A has the lower claim-year cost by \$55.

Correct tags in order are WITHIN, WITHIN, OVER, WITHIN, OVER, OVER, WITHIN, OVER. For Part 2, accept explanations that correctly add all three costs and compare the total with \$1,800.