TEACHER RESOURCE · LESSON PLAN

Insurance Basics for the Classroom

A single-period introduction to how insurance works, built around the Plain Policies site.

Grade level	Grades 9–12; adaptable for adult / community education
Time	45–60 minutes
Subject area	Personal finance, economics, or advisory/homeroom
Framework alignment	General personal-finance literacy goals, consistent with the spirit of frameworks such as the Jump$tart Coalition's National Standards for Personal Financial Literacy (Risk Management & Insurance strand). Check your local standards for exact codes.

Learning Objectives

By the end of this lesson, students will be able to:

- Explain, in plain language, how insurance pools risk across many people to protect any one person from a large loss.
- Identify the core vocabulary of a policy: premium, deductible, coverage limit, and claim.
- Describe the basic steps of filing a claim, from notifying the insurer to a possible effect on future premiums.
- Recognize that insurance rates are regulated by state and vary based on many factors — and that this site does not recommend or rank any product.

Materials Needed

- Device with internet access per student or small group (or project the site for a whole-class walkthrough).
- Plain Policies site — start at the "How Insurance Works" page.
- This lesson plan and the accompanying Insurance Vocabulary Worksheet (with answer key).
- Optional: the site's Learning Pathways (Renter, Driver, or Life pathway) for self-paced follow-up.

Lesson Sequence

1. Warm-Up (5–8 min)

Ask students: "Have you, or has someone in your household, ever filed an insurance claim — for a car, an apartment, or something else?" Without requiring personal detail, poll the room informally. Ask: "Why do you think people pay for insurance even in years when nothing goes wrong?" Record 2–3 responses on the board.

2. Direct Instruction (12–15 min)

As a class, walk through the site's "How Insurance Works in 60 Seconds" explainer on the homepage, then the full "How Insurance Works" page. Pause to define each key term as it appears (premium, deductible, coverage limit, policy). Emphasize the core idea: insurance spreads the cost of rare, large losses across a large pool of people who each pay a smaller, predictable premium.

3. Guided Exploration (15–20 min)

In pairs or small groups, assign each group one insurance type — Auto, Renters, or Life. Have groups explore that type's hub page and answer on paper or in a shared document:

- What does this type of insurance typically cover?
- Name two factors that can affect its cost, according to the site.
- Walk through the site's claim-flow diagram for this type. What are the steps, in order?
- Find one "myth vs. fact" from the page. What is the myth, and what does the public data actually show?

Groups report back to the class in 1–2 minutes each. As an option, groups can instead work through the matching Learning Pathway (Renter, Driver, or Life) for a self-paced, quiz-supported version of this step.

4. Discussion (8–10 min)

Bring the class back together. Ask: "Why might two people with the same coverage pay different premiums?" and "Why do you think insurance rates are regulated separately by each state rather than nationally?" Reinforce that the site presents general public data and does not recommend specific companies or products.

5. Wrap-Up / Formative Check (5 min)

Distribute or assign the Insurance Vocabulary Worksheet as a closer or short homework check. Optionally, have students complete one Learning Pathway lesson (with its built-in knowledge check) for extra practice.

Extension Ideas

- Have students use the site's State Explorer to compare average auto or renters costs across two or three states and discuss possible reasons for the differences (without treating any figure as a personal quote).
- Assign the Life-Stage Insurance Concepts Worksheet as a follow-up for a unit on adult financial planning.
- Use the Coverage Gap visualizer as a class demo to discuss how deductible and limit choices affect out-of-pocket risk.