

Spring

**Information For Course Reference # CRN 13371 RMI 3011**

**General Course Information**

<b>CRN</b>	13371												
<b>Course Title</b>	Insurance Planning												
<b>Description</b>	Identification of various types of risks; principles underlying selection of appropriate means of handling risks, introduction to life, health, property, liability and other areas of insurance, analysis of insurance as a principal means of managing risk for individuals and commercial entities; organization operation of insurance companies.												
<b>College</b>	Business												
<b>Department</b>	Economics & Finance												
<b>Course No.</b>	RMI 3011												
<b>Credit Hours</b>	3												
<b>Meeting Information</b>													
	<table><thead><tr><th></th><th><b>Start</b></th><th><b>End</b></th><th><b>Days</b></th><th><b>Time</b></th><th><b>Room</b></th></tr></thead><tbody><tr><td>GRIFFIN</td><td>01/07/2020</td><td>05/01/2020</td><td>T/TH</td><td>6:00-7:15</td><td>109</td></tr></tbody></table>		<b>Start</b>	<b>End</b>	<b>Days</b>	<b>Time</b>	<b>Room</b>	GRIFFIN	01/07/2020	05/01/2020	T/TH	6:00-7:15	109
	<b>Start</b>	<b>End</b>	<b>Days</b>	<b>Time</b>	<b>Room</b>								
GRIFFIN	01/07/2020	05/01/2020	T/TH	6:00-7:15	109								
Exam	Check Gulfline												
<b>Prerequisites</b>	FIN 3403 with a minimum grade of B. Or see advisor.												

**Distance Learning/Off Campus Course Information**

**Is this a DL Course?** No, it is an on-campus course.

**Instructor Information**

**Instructor** Dan Zavada

**E-Mail Address**     [dzavada@fgcu.edu](mailto:dzavada@fgcu.edu)

**Phone Number**     TBA

**Office Location**    LH 3332

**Office Hours**        Thursday 5:00-6:00 or by appointment through the last day of classes.  
Students should make an appointment whenever possible.

**Teaching Philosophy**     You should view the instructor as a complement, not a substitute, for the course text. I seek to have an engaged classroom environment, and will highlight and demonstrate those concepts that which will help the student develop the skills necessary to form, monitor, and manage a portfolio.

**Additional Instructor Information**     As a member of this class, you are expected to show respect for all people. Such respect specifically precludes any type of harassment, inappropriate comments, or conduct that might create a hostile environment. We expect the climate in classrooms to be professional at all times and encourage you to do your part. Should you have concerns, please address them with your instructor or with the department chair, Prof. Weeks.

### Course Materials

Insurance Planning, 6d, by Dalton, Dalton, Langdon, & Gillice

READINGS: Supplemental readings as assigned

### Required Course Materials

RECOMMENDED CALCULATOR: Texas Instruments BA II PLUS Professional.

Class lectures may not be recorded in any form unless coordinated via university procedures.

### Course Policies

<b>Grading, Attendance, and Other Policies</b>	GRADING:		
	Exam 1	20%	A = 90% or better
	Exam 2	20%	B = 80-89%
	Exam 3	20%	C = 70-79%
	Assignments/Attendance	20%	D = 60-69%
	Final	20%	F = less than 60%

DO NOT ANTICIPATE ANY SCALING OF GRADES!

**ATTENDANCE:** You are expected to be present for class and exams. If you must miss a class period, you should obtain notes from a classmate. You are responsible for knowing all material covered in class to include new material, assignments, quizzes, exams, and changes to the syllabus. It is the student's responsibility to notify the instructor of any absence. Failure to appear for an exam without prior instructor notification will result in a grade of zero.

**EXAMS:** Students should plan that exams take place at the beginning of the indicated period. Students not in place at the beginning of the indicated period may only take the exam at the discretion of the instructor. There are no make-up exams. Failure to appear for an exam or the final exam will result in a grade of zero for that examination. Should extenuating circumstances exist where a student might miss an exam, students shall coordinate the absence with the instructor as soon as possible.

**ASSIGNMENTS:** Writing assignments will be administered at various times throughout the semester and are to be completed in accordance with the class writing guide. Assignments are due at the beginning of class on the date due. Each assignment will include a documentation statement that will include any references or sources used, as well as to identify the type of any assistance received from another individual. If a student completes the assignment without assistance, a documentation statement is still required stating such. Furthermore, all written assignments are to be reviewed by a classmate and this review will be included in the documentation statement. Students may be selected to present the results of any assignment.

## **Learning Objectives**

### Principles of risk and insurance

1. Explain the risk management process.
2. Provide examples of the four primary risk management techniques available to clients.
3. Describe how insurers use risk pooling to pay for losses incurred by policyholders.
4. Explain the factors that affect policyholder premiums and recommend appropriate methods for reducing household insurance costs.

### Analysis and evaluation of risk exposures

1. Identify and measure liability, automobile, homeowner's, flood, earthquake, health, disability, long-term care, and life risks.
2. Explain maximum possible and maximum probable loss amount to a client.

### Health insurance and health care cost management (individual)

1. Compare and contrast group and individual health insurance alternatives, including fee for service and managed care health plans.
2. Incorporate expected retiree health costs in a client's retirement plan, in consideration of household financial resources, existing or future coverage under group insurance plans, and Medicare.
3. Explain alternatives for acquiring health coverage including COBRA and Medicaid.

### Disability income insurance (individual)

1. Describe differences between short-term and long-term disability plans and identify the policy provisions that should be included in privately-purchased disability policies.

2. Create a plan for meeting individual disability income needs, in consideration of household financial resources, and existing coverage under employer plans, Social Security, and disability income insurance options.
3. Calculate the tax implications of paying for and receiving disability benefits.

#### Long term care insurance (individual)

1. Identify activities of daily living that can trigger the need for long-term care.
2. Develop an appropriate long-term care insurance plan based on needs, financial resources, policy coverage, and cost.

#### Annuities

1. Explain the characteristics of an annuity including contribution and distribution options and differentiating between immediate and deferred annuities.
2. Compare and contrast annuities (fixed and variable) with other investment alternatives, including an analysis of costs, contract terms, and taxation.

#### Life insurance (individual)

1. Explain the underwriting factors commonly used in the life underwriting process.
2. Differentiate between term, whole life, variable, universal, and VUL policies and select the most appropriate type of coverage to match a client's specific circumstances.
3. Calculate a client's insurance needs using alternative approaches, including the capital needs, human life value, capital retention, income retention, and income multiplier methods.
4. Recommend whether a policy should be replaced based upon quantitative and qualitative factors.
5. Describe common life insurance termination options.
6. Recommend life insurance purchase and benefits distribution options based upon needs, financial resources, and cost.

#### Business uses of insurance

1. Recognize the complications of closely owned and/or family owned businesses.
2. Distinguish the difference between the three types of buy/sell agreements and their appropriate uses.
  1. *The Cross Purchase Agreement*
  2. *The Entity Purchase Agreement*
  3. *The Wait and See Agreement*
3. Explain the potential financial risk to the company due to the loss of a key employee.
4. Identify the opportunity to provide non-qualified benefits for business owners and key executives.
  1. Section 162 Executive Bonus Plan
  2. Non-Qualified Deferred Compensation

#### Insurance needs analysis

1. Perform an insurance needs analysis for a client, including disability, life, health, long-term care, property, and liability.

#### Insurance policy and company selection

1. Define and communicate key insurance policy terms, coverage, conditions, and exclusions.

2. Recommend appropriate insurance products, given a client's stage in the life cycle, family circumstances, and needs.
3. Recommend insurance companies based upon an evaluation of service, personnel, financial risks, company ratings, and claims processes.

Property and casualty insurance

1. Identify the primary components of property and casualty insurance and how each component fits into a client's comprehensive financial plan.
2. Differentiate among the basic homeowners insurance (HO) forms and features and explain how to evaluate and compare policies.
3. Identify the primary components of automobile insurance and assess any potential property damage or liability exposures.
4. Explain the role of personal and business liability insurance in comprehensive financial planning and how personal umbrella liability policy (PUP) and business liability insurance interacts with other property and liability insurance products.

**Agenda (Subject to Change)**

Jan

Chapter 1	Introduction to Insurance
Chapter 2	Characteristics of Insurance
Chapter 2	Characteristics of Insurance
Test 1/Chapter3	

Feb

Chapter 4	Life Insurance
Chapter 5	Disability Insurance
Chapter 6	Long Term Care
Test 2/Assignment	Test 2 /Assignment

Mar

Spring Break	
Chapter 7	Annuities
Chapter 8	Property & Liability
Chapter 8	Liability

Apr

Test 3/Chapter 9	Test 3 /Credit Protection
Chapter 9	Credit Protection
Chapter 10	Social Security
Chapter 10	Social Security-review

May	TBD	Test 4/Final	Final
-----	-----	--------------	-------

All subject to change

## **University Statements:**

### **Academic Behavior Standards and Academic Dishonesty**

All students are expected to demonstrate honesty in their academic pursuits. The university policies regarding issues of honesty can be found in the FGCU Student Guidebook under **the Student Code of Conduct and Policies and Procedures** sections. All students are expected to study this document which outlines their responsibilities and consequences for violations of the policy. The FGCU Student Guidebook is available online at <http://studentservices.fgcu.edu/judicialaffairs/new.html>

### **University Nondiscrimination Statement**

Florida Gulf Coast University is committed to ensuring equity and fairness for all University employees, students, visitors, vendors, contractors and other third parties. As such, the University prohibits discrimination on the bases of race, color, national origin, ethnicity, religion, age, disability, sex (including sexual harassment/assault), gender identity/expression, marital status, sexual orientation, veteran status or genetic predisposition with regard to admissions, employment, programs or other activities operated by the University. This prohibition extends to enforcement of **Title IX** of the Education Amendments of 1972. Questions or complaints should be directed to the Office of Institutional Equity and Compliance (OIEC). The OIEC's phone number is (239)745-4366; the OIEC email address is [OIEC@fgcu.edu](mailto:OIEC@fgcu.edu).

### **Disability Accommodations Services**

Florida Gulf Coast University, in accordance with the Americans with Disabilities Act and the university's guiding principles, will provide classroom and academic accommodations to students with documented disabilities. If you need to request an accommodation in this class due to a disability, or you suspect that your academic performance is affected by a disability, please see me or contact the Office of Adaptive Services. The Office of Adaptive Services is located in the Wellness Building. The phone number is 239-590-7956 or Video Phone (VP) 239-243-9453. In addition to classroom and campus accommodations, individuals with disabilities are encouraged to create their personal emergency evacuation plan and FGCU is committed to providing information on emergency notification procedures. You can find information on the emergency exits and Areas of Rescue Assistance for each building, as well as other emergency preparedness materials on the Environmental Health and Safety and University Police Department websites. If you will need assistance in the event of an emergency due to a disability, please contact Adaptive Services for available services and information.

### **Student Observance of Religious Holidays**

All students at Florida Gulf Coast University have a right to expect that the University will reasonably accommodate their religious observances, practices, and beliefs. Students, upon prior notification to their instructors, shall be excused from class or other scheduled academic activity to observe a religious holy day of their faith. Students shall be permitted a reasonable amount of time to make up the material or activities covered in their absence. Students shall not be penalized due to absence from class or other scheduled academic activity because of religious observances. Where practicable, major examinations, major assignments, and University ceremonies will not be scheduled on a major religious holy day. A student who is to be excused from class for a religious observance is not required to provide a second party certification of the reason for the absence.

**Counseling and Psychological Services (CAPS)** provides free counseling and therapy services (including psychiatry) to all FGCU students. You may walk in to the second floor Howard Hall office any weekday between 8:30 and 4:30 in order to schedule an initial contact appointment. Visit the CAPS website at [www.fgcu.edu/caps](http://www.fgcu.edu/caps) for more information. CAPS offers a 24/7 Helpline at (239)/745-3277 (EARS).