

## Don't Lose it All! – Insurance Terms

Risk - possibility of loss or injury

Claim - a formal request to an insurance company asking for a payment based on the terms of the insurance policy.

Deductible - the amount of money an individual pays for expenses before his insurance plan starts to pay.

Premium - the amount of money that an individual or business must pay for an insurance policy.

Health Insurance - a type of insurance coverage that pays for medical and surgical expenses incurred by the insured.

Disability Insurance - A program managed by the Social Security Administration that insures a worker in case of a mishap.

Life Insurance - a protection against financial loss that would result from the premature death of an insured.

Co-Payments - a common feature of many health insurance plans, where the insured pays a set out-of-pocket amount for health care services.

Renters Insurance - protects against loss or damage to your personal belongings when you occupy a rental property – anything from a studio apartment to an entire house or mobile home.

Auto Insurance - a policy purchased by vehicle owners to mitigate costs associated with getting into an auto accident.

Homeowners Insurance - a form of property insurance that covers losses and damages to an individual's house and to assets in the home.

Out of Pocket - costs that individuals pay out of their own cash reserves.

Long-Term Care - Coverage that provides nursing-home care, home-health care, personal or adult day care for individuals above the age of 65 or with a chronic or disabling condition that needs constant supervision.

Term Life Insurance - A type of life insurance with a limited coverage period.

Whole Life Insurance - a policy that provides lifetime protection by paying a lump sum death benefit.

Probability - A mathematical term relating to the likeliness of two independent events occurring.

Comprehensive Coverage - A type of automobile insurance that covers damage to your car from causes other than a collision.

Collision Coverage - a type of auto insurance coverage that will reimburse the insured for any damage sustained to their personal automobile that is due to the fault of the insured driver.

Universal Life Insurance - a type of flexible permanent life insurance offering the low-cost protection of term life insurance as well as a savings element (like whole life insurance), which is invested to provide a cash value buildup.

Co-insurance - a co-sharing agreement between the insured and the insurer under an insurance policy which provides that the insured will pay a set percentage of the covered costs after the deductible has been paid.