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| Course Name | : Principles of Insurance and Risk Management |
| Course Code | : APBSCH 602 |
| Course Level | : Level 6 |
| Credit Units | : 4 CU |
| Contact Hours | : 60 Hrs |

Course description

This course covers a range of modules relevant for [Financial Risk Management](#), [Steps in Risk Assessment](#), [Risk Analysis](#), [Types of Business Risk](#), [Risk Identification](#) it includes, Health Insurance, Life Insurance, Property Insurance and Disability Insurance.

Course Objectives/ Learning out comes

1. Students get to know what health insurance plans cover and techniques for tailoring a plan to an individual client. This training prepares individuals to work for a health insurance company or to sell health insurance coverage.
2. Students gain experience writing life insurance contracts. They study variable annuity concepts, including double indemnity policies. They also learn about the different types of life insurance policies.
3. Gain understanding of personal property insurance available to cover things like homes, automobiles and personal property. Students learn how to assess property value and write insurance contracts that will cover the entire value of the property.
4. Students examine the way disability insurance works, the circumstances under which it is or is not provided and how to write a contract for it. They learn reasons why individuals or businesses object to it and how to counter arguments. Likewise, they learn how to modify a contract to suit an individual's needs.

Course Content

- Introduction
 - Early methods
 - Modern insurance
- Principles
 - Insurability
 - Legal
 - Indemnification
- Societal effects
 - Methods of insurance

- Insurers' business model
 - Underwriting and investing
 - Claims
 - Marketing
- Types of insurance
 - Auto insurance
 - Gap insurance
 - Health insurance
 - Accident, sickness, and unemployment insurance
 - Casualty
 - Life
 - Burial insurance
 - Property
 - Liability
 - Credit
 - Other types
 - Insurance financing vehicles
 - Closed community self-insurance
- Insurance companies
- Across the world
 - Regulatory differences
- Controversies
 - Insurance insulates too much
 - Complexity of insurance policy contracts
 - Limited consumer benefits
 - Redlining
 - Insurance patents
 - The insurance industry and rent-seeking
 - Religious concerns

Mode of delivery Face to face lectures

Assessment

- **Coursework** 40%
- **Exams** 60%
- **Total Mark** 100%

References

1. Palmer, Sarah (October 2007). "[Lloyd, Edward \(c.1648–1713\)](https://doi.org/10.1093/ref:odnb/16829)". *Oxford Dictionary of National Biography*. Oxford University Press. doi:10.1093/ref:odnb/16829. Retrieved 16 February 2011.
2. Amicable Society, *The charters, acts of Parliament, and by-laws of the corporation of the Amicable Society for a perpetual assurance office*, Gilbert and Rivington, 1854, p. 4

3. E. P. Hennock, *The Origin of the Welfare State in England and Germany, 1850–1914: Social Policies Compared* (2007)
4. [The Cabinet Papers 1915-1982: National Health Insurance Act 1911](#). The National Archives, 2013. Retrieved 30 June 2013.
5. Gollier C. (2003). [To Insure or Not to Insure?: An Insurance Puzzle](#). *The Geneva Papers on Risk and Insurance Theory*.
6. This discussion is adapted from Mehr and Camack “Principles of Insurance”, 6th edition, 1976, pp 34 – 37.
7. However, bankruptcy of the insured with a "reimbursement" policy does not relieve the insurer. Certain types of insurance, e.g., workers' compensation and personal automobile liability, are subject to statutory requirements that injured parties have direct access to coverage.
8. Brown RL. (1993). [Introduction to Ratemaking and Loss Reserving for Property and Casualty Insurance](#). ACTEX Publications.
9. Feldstein, Sylvan G.; Fabozzi, Frank J. (2008). *The Handbook of Municipal Bonds*. Wiley. p. 614. [ISBN 978-0-470-10875-8](#). Retrieved February 8, 2010.
10. Fitzpatrick, Sean, [Fear is the Key: A Behavioral Guide to Underwriting Cycles](#), 10 Conn. Ins. L.J. 255 (2004).
11. Berger, Allen N.; Cummins, J. David; Weiss, Mary A. (October 1997). "The Coexistence of Multiple Distribution Systems for Financial Services: The Case of Property-Liability Insurance.". *Journal of Business* **70** (4): 515–46. [doi:10.1086/209730](#). ([online draft](#))
12. [Insurance Information Institute](#). "[Business insurance information. What does a businessowners policy cover?](#)". Retrieved 2007-05-09.
13. [US application 20,060,287,896](#) “Method for providing crop insurance for a crop associated with a defined attribute”
14. Margaret E. Lynch, Editor, "Health Insurance Terminology", Health Insurance Association of America, 1992, [ISBN 1-879143-13-5](#)