

Insurance Pre-Test Answer Key

Allow students 5 minutes to complete this 10 True or False pretest. This test should not be a grade, but rather a gauge on how much the students already know about insurance.

1. **True:** Only New Hampshire does not legally require car insurance.
2. **True:** The insurance company will decide what kind of risk you are.
3. **False:** The coverage depends on your policy.
4. **False:** Auto insurance is the only insurance mandated by law.
5. **False:** They are called premiums.
6. **True:** People who file claims are called claimants.
7. **True:** A claims adjuster investigates and settles claims.
8. **False:** A HO-2 Policy is considered a named-peril policy. A HO-3 policy is an open-peril policy.
9. **True:** Car type is one of many “risk factors” insurance companies consider.
10. **False:** There is no minimum age requirement for life insurance. If you’re between the ages of 25-35, you can expect to pay around \$20-25 a month for a 20-year, \$500,000 term life insurance policy.