## Teacher Answer Key

**Case Study**

1. The deductible is the part the family pays before coverage starts, so they paid $500 out of pocket and insurance picked up the remaining $700 of the other driver's $1,200 repair.

2. The accident caused $2,000 in damage between the two cars. Insurance meant the family paid the $500 deductible instead of the full amount, so one parking mistake did not become a $2,000 bill.

**Multiple Choice**

1. C

2. D

3. B

**Matching**

1-D, 2-C, 3-B, 4-E, 5-A

**Fill-in-the-Blank**

1) Premium, 2) Medical, 3) Claim

**Short Answer (Sample Responses)**

Q1: Understanding the deductible helps you know how much you'll need to pay out of pocket before insurance begins to cover expenses, which impacts your budget during emergencies.

Q2: Discounts, such as good student discounts or bundling policies, can significantly reduce the cost of premiums, making insurance more affordable for teens.

Q3: Renter's insurance protects tenants by covering personal belongings in case of theft or damage and providing liability coverage if someone is injured in their home.