

Chapter 35 Life and Health Insurance

Section 35.1 Life Insurance

Reading Activity—Recognize Supporting Details

Directions Read the excerpts from the textbook. Underline the phrase(s) or sentences(s) containing details that support the main idea. Then write a brief explanation of how the details support the main idea.

As with any type of insurance, the amount of the premium on a life insurance policy depends on the type of policy and the amount of coverage. Term insurance costs less than cash-value insurance. A policy for \$100,000 costs more than a policy for \$50,000.

Factors such as the policyholder’s age, health, and occupation also affect the cost of the premium. Many people have to take a physical before they are sold an insurance policy to ensure that they are in good health. The older a person is, the higher the premium will be because of the likelihood the company will have to pay benefits sooner. Life insurance also costs more for people in dangerous occupations, such as a firefighter or a stunt pilot.
