ACTIVITY 2: 
A Map of Claims

NAME: ___________________________ DATE: ________________

The amount of insurance claims paid by insurance companies as a result of hurricanes has increased over the last 10 years. New technologies such as GPS (Global Positioning System) and GIS (Geographic Information Systems) allow actuaries and insurance companies to estimate the amounts to be paid for claims in the future based on the natural events that have occurred and the related number of submitted claims in a particular area. These tools help actuaries plan for covering their customers fairly. Study the map below and then answer the questions.

Questions:

1. Which section had the highest amount paid in claims? _____________ What was the amount? _____________

2. Which sections had the lowest amount paid in claims? _____________ What was the amount? _____________

3. As you move from south to north along the coast, what do you notice about the level of claims? ____________________________________________________________________________

4. As you move inland from east to west, what do you notice about the level of claims? ____________________________________________________________________________

5. From which areas should more total premiums be collected? ____________________________________________________________________________
   Why? ____________________________________________________________________________

6. If you were to represent this data on a chart, would you choose a histogram or a scatterplot? ____________________________________________________________________________
   Why? ____________________________________________________________________________

Think About It
Which area might be the most appealing to a home buyer? Would that area be more or less affordable to insure?