Metropolitan State University

RMI 300 : Risk Management and Insurance

A. Course Description

Credits: 4

Prerequisites: MATH 115 College Algebra AND STAT 201 Statistics I

Lab Hours/ Weeks: Corequisites: None

Lecture Hours/ Week :

MnTC Goals: None

The course explores the risk management issues facing firms and individuals and examines how to protect firm value and personal wealth. It covers the areas of the general risk management process, property and liability insurance, life and health insurance, annuities and employee benefits. The insurance industry and regulatory concerns are also addressed. In addition, the course touches on some of the new products emerging in the risk management arena and how the insurance industry responds to them.

B. Course Effective Dates: 01/12/2009 - Present

C. Outline of Major Content Areas:

See Course Description for major content areas.

D. Learning Outcomes (General)

1. Reducing, and transferring the risks that can shut down a business.
2. An understanding of the alternative means of handling risk, including risk avoidance, loss control, risk retention, risk transfers involving insurance, and non-insurance risk transfer.
3. An understanding of the derivative products to hedge financial risks including standard and exotic options, structured finance products tailored to individual deals, credit risk derivatives, insurance-linked and asset-backed securities.
4. The development of basic skills in risk identification and analysis, including an understanding of the importance of loss frequency and severity.
5. An understanding of how firms create risk management policies and implement those policies through risk officers and other financial controllers.
6. An understanding of the major design decisions and legal requirements employers must address in establishing qualified employee benefit programs for health insurance, retirement, disability, and other areas.
7. An ability to make risk management decisions under conditions of uncertainty and ambiguity, integrating production, marketing, and financial aspects of the problem with underlying ethical considerations.
8. An understanding of how to obtain and manage cost-effective employee benefit programs and employee insurance programs and policies.
9. Comparing and contrasting various types of insurance policies.
10. Identification of internal and external risks leading to loss exposure.

E. Learning Outcomes (MN Transfer Curriculum)

This contains no goal areas.

G. Special Information

None