

Table 2: Cost of a Catastrophe (Total Loss)

	P_c	C_c	E_L	M_p	I_R
Auto	0.0590 ₃	\$42,258	\$2,493	\$1070 ₃	\$2.33
Homeowner's	0.0579 ₂	\$348,079	\$20,153	\$1272 ₂	\$15.84
LT Disability	0.1429	\$1,966,321	\$280,987	\$1013 ₆	\$277.38

Note: P_c = Probability of claim; C_c = Cost of a claim; E_L = Expected loss value; M_p = Median Annual Premium; I_R = Amount of Risk Insured per Premium Dollar Spent