



Expected Value Strategy Comparison

Today's Standard

HSS.MD.B5b - Evaluate and compare strategies on the basis of expected values. For example, compare a high-deductible versus a low-deductible automobile insurance policy using various, but reasonable, chances of having a minor or a major accident.

Real-World Applications for this Standard

Comparing insurance policies; Evaluating investment options; Decision making in business strategies; Assessing risk in project management; Analyzing medical treatment plans

Today I Learned

Today, we learned how to compare different choices by looking at their expected values. This helps us make smart decisions, like picking the best insurance policy or investment.

Common Stumbling Blocks

Some kids think that having a higher deductible on insurance is always bad, but sometimes it can save money. Others think that expected value means a certain result, but it's actually an average outcome over many tries.

Quiz Me

- What does expected value help us do?
- Is a higher deductible always bad?
- What is expected value?
- Why do we need to know basic probability?
- Can expected value guarantee a result?

Help Me

Expected value helps us make smart choices in real life, like picking the best insurance or investment. It's like finding the average outcome of different choices to see which one is better.