

Do I have any control over my auto insurance premiums?

In today's market, where affordable personal auto insurance seems less and less available, you may wonder if there's any way to control rising premiums. You've already taken one step by choosing an independent insurance agent, representing multiple companies, so we can give you the right insurance to fit your needs. Besides choosing the right insurance company, there are some other tips to help you control the rates you pay for auto insurance.

Driving record

An operator's driving history affects rates and could predict future claims activity. Obeying the rules of the road and driving defensively are your best ways to lower premiums.

Drivers have so many potential distractions with eating, drinking beverages, texting, phoning, grooming, smoking, listening to entertainment, programming, or managing children or animals. It can become very difficult to stay focused on the deadly-serious job of driving, which is without doubt the most important job we all need to do. We all need to take responsibility for our own safety and the safety of others on the road.

Type of vehicle

A major factor in the rating of your physical damage insurance (that is, coverage for damage to your vehicle caused by, for example, fire, theft or collision) is the type of vehicle you own. Insurance companies begin with a base rate for the cost of the vehicle and then adjust it up or down. Generally, the higher the value of the vehicle and the more expensive the type of vehicle, the higher the rate. However, some investments in safety features for the vehicle, such as anti-lock brakes, air bags, and other safety features, can give you a discount. Some companies also offer a discount for low-mileage driving or for vehicles that are new or nearly new, which will help you pay less for the cost of your insurance.

Coverage

Some people prefer to assume more of the risk of loss on their autos and save on premiums. It may make sense for you to remove collision insurance on older vehicles or increase your deductibles on newer vehicles. A common rule of thumb is that for vehicles more than 10 years old, you might consider removing collision coverage. However, to obtain glass coverage on a vehicle, you would have to maintain other-than-collision (comprehensive) coverage.

Use and residence

Your employment opportunities and lifestyle can also affect how your vehicles are rated. For example, if they are garaged—two of the ways to gain control over the rating of your vehicles. You may want to consider driving the lowest-rated vehicle (for example, an older vehicle without physical damage coverage) for activities that have the highest rate for use (for example, business use or long-distance commuting to work).

Timely premium payment

Always pay your premiums on time. Issuing cancellations, processing late payments and then issuing reinstatements, add significant costs to the servicing of auto insurance policies. Most insurance companies have a low tolerance for late payments under policies that are eligible for their preferred pricing.

Credit management

Many insurance companies have established a link between a person's credit history and that person's probability of having an auto claim. As strange as this may sound, there does appear to be an objective basis for using credit analysis, known as insurance credit scores, to predict a class of policyholders that will have greater-than-average loss experience or less-than-average loss experience. Managing your credit will help to lower rates on your auto insurance.



Your Professional Insurance Agent ... We want you to know about the insurance you're buying.

Discounts

There are some standard discounts, such as those for taking a driver-training course or a defensive-driving course, qualifying as a good student, insuring multiple vehicles on the same policy, having vehicles equipped with certain safety equipment (for example, anti-theft devices, passive restraints or anti-lock brakes). Some insurance companies offer a discount for purchasing your homeowners policy from the same company. The selected premium payment option also may reduce your premium.

Telematics

Telematics describe technologies directed at communicating with a motor vehicle, which has led to “usage-based insurance” (UBI) programs. Under these voluntary programs, consumers consent to install sensor devices in their cars that catalog data on driving habits and provide discounts to those found to be more careful drivers. Some subscribers may find that UBI programs are helpful in correcting hazardous driving habits that were previously unknown to them; either about themselves or other drivers in the household. On the other hand, some people may find this kind of data collection too intrusive to their comfort.

Our agency would like to help you take advantage of every possible means of making your auto insurance more affordable. So, please, don't hesitate to call us for a policy.

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