
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.

Type of vehicle

A major factor in the rating of the coverages that pay to repair your car is the type of vehicle you own. In assigning a rate, most insurance companies begin with the cost of the vehicle and the model year. Generally, the higher the cost of the vehicle and the newer it is, the higher the rate. However, further adjustments are made for the vehicle's weight, body type, engine performance, actual loss experience from past years for that model, etc. We can give you a premium comparison for vehicles you are considering purchasing or leasing, which will give you some control over 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 coverages on older vehicles, or increase your deductibles on newer vehicles. A common rule of thumb is that for vehicles more than 10 years old, many do not cover them for other-than-collision (or comprehensive) or collision coverage (physical damage). However, to obtain glass coverage on a vehicle, you would have to maintain other-than-collision coverage.

Use and residence

Your employment opportunities and lifestyle most likely will dictate the kind of use your vehicles get and the location at which they are garaged—two things that impact your premiums. However, there is a way you can gain some 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. Some 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 a car

accident. As strange as this may sound, there appears to be an objective basis for using credit analysis, known as insurance credit scores, to predict which policyholders will have greater-than-average loss experience or less-than-average loss experience. Managing your credit and your credit report will help to lower rates on your auto insurance.

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, installing certain anti-theft devices and maintaining certain safety equipment (for example, passive restraints, anti-lock brakes or good student discounts). Some insurance companies have developed their own discounts for such things as buying your homeowners policy from the same company. Our agency would like you to take advantage of every discount that is available to you, so don't hesitate to call us for a discount review.

Fight fraud

Lawmakers are working on bills that would help prevent fraud. If you are concerned about your auto insurance costs, be sure to contact your state legislators and urge them to reach agreement on reforms to drive the cost of fraud out of the state's auto insurance system.



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