

# Do I have any control over my auto insurance rates?

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 agent, representing multiple companies, so we can give you the right insurance to fit your needs. But besides choosing the right insurance company, there are some tips to help you control the rates you pay for auto insurance.

## Driving record

An operator's past driving history is a predictor of future claims activity. Driving defensively and obeying all the rules of the road is one of your best routes to lower rates.

## Type of vehicle

A major factor in the rating of your physical damage insurance (i.e., comprehensive and collision insurance) is the type of vehicle you own. In assigning a rate, most insurance companies begin with the cost new 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 rating 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 comprehensive and collision coverages on older vehicles, or increase your deductibles on newer vehicles.



## 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 rates. However, there is a way you can get 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. Late payments can actually affect the rates you pay. 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 or anti-lock brakes). 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. The main types of fraud are staged accidents and phony or exaggerated medical bills. If you are concerned about your auto insurance costs, be sure to contact the governor and 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.



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