

INSURANCE TIPS

SHOPPING FOR AUTO INSURANCE

COMPARISON SHOP



Make certain you provide the same information to each company or producer (agent or broker), and that you compare policies that offer the same coverages and have the same deductible(s) and coverage limits. This way, you can make sure you are comparing “apples to apples” and will be able to tell how much money, if any, you are actually saving. You may want to contact several insurance companies or producers, as well as asking your relatives and friends for recommendations. In addition, some banks, employers and special interest groups offer insurance directly to their members.

ASK FOR PRICE QUOTES

When you call an insurance company or producer, typically you will be asked: the make/model/year of vehicle, number of average annual miles, region in which you live, the types of coverages you want and the dollar limit for each of those coverages, and information about your driving record (accidents or violations). Make sure the information you provide is accurate and that you provide the same information to each producer or company that you call. Also, keep in mind that one insurance group often includes many companies (not just the ones listed in our guide), and the rates and/or underwriting requirements may be different for each company within the group. Ask the producer about other companies in the group.

ASK ABOUT DEDUCTIBLES

A deductible is the amount you agree to be responsible for in the event of damage to your vehicle (i.e. accident, fire or vandalism) before the insurance company makes any payments. If you select a high deductible, you will pay more out of your own pocket for any damage or loss; however, your premium should be lower.

ASK FOR DISCOUNTS

To help keep your premium down, ask what discounts the company offers (i.e. security or safety devices, good-driving record, defensive-driving courses, good student, etc.) and if you qualify for any of them. Understand how the company decides what your policy will cost.

Your Insurer
3535 Second Street
Company Town, USA 54321

Policy number XX-XXXXXX-XX
Policy period: 6 months
Effective date: January 1, 2020
Expiration date: July 1, 2020

Auto Insurance Policy <SAMPLE>

Year	Make	Model	Vehicle ID Number (VIN)
2011	Chevrolet	Camaro	2FZMP0NW34X

Lienholder
The Bank: 310 Main Street, Company Town, USA 54321

Coverages	Policy limits	Deductibles
Liability: Bodily injury	\$30,000 per person \$60,000 per accident	Collision \$500 Comprehensive \$100
Liability: Property damage	\$15,000 per accident	
Uninsured/Underinsured motorist bodily injury	\$30,000 per person \$60,000 per accident	
Uninsured/Underinsured property damage	\$15,000 per accident	

Optional coverage

Optional coverage	Limits
Roadside assistance	\$100 per occurrence
Rental car reimbursement	\$30 per day \$1,000 maximum

Policy premium \$640

Discounts applied

- Multiple vehicle
- Home/Auto/Life
- Mature driver
- Claim record/Customer longevity
- Air bags/Anti-lock brakes
- Premium paid in full

Your policy consists of this page, any endorsements and the policy form. Keep together.

CHECK YOUR CREDIT REPORT

Under Maryland law, insurers may not use your credit history to decide if they will insure you, cancel you, renew you or increase your premium. However, insurers may use your credit history when you apply for coverage to determine what rate you will be paying for your auto insurance. Not all insurers use credit history and you may obtain auto insurance through insurers that do not use credit. For those insurers that do use credit, they are required to tell you at the time you apply for the insurance that they will consider your credit history. If you ask, an insurer must tell you how much of your premium is as a result of your credit score. For those insurers that use credit history to determine a portion of your premium, they are required to review your credit history every two years, or you can request the insurer to do so once during each policy term. The insurer may decrease your premium if your credit history improves. The insurer cannot use your credit history to increase your premium at renewal even if your credit deteriorates from what it was when you applied for your policy.

PERSONAL INJURY PROTECTION (PIP)

PIP coverage will reimburse you (or others named on your policy) for reasonable and necessary medical expenses resulting from an auto accident, as well as lost wages. This reimbursement will be made regardless of who caused the accident. Maryland law requires insurers to offer their policyholders at least \$2,500 in Personal Injury Protection (PIP) coverage. You may elect to purchase limited PIP coverage and certain individuals may be able to fully reject PIP coverage. If you currently have full Personal Injury Protection (PIP) coverage and also have health insurance, you may want to give some consideration to whether the duplication of coverage is worth the additional premium you are paying. Consult your insurance producer or insurer for a thorough explanation of all of your options. Also check your health care policy and consult your insurer or insurance producer about this coverage. Keep in mind that PIP pays lost wages and your household members' medical expenses, which are not covered under health care policies, up to the limit, which is typically \$2,500. Your insurer may offer higher PIP limits at an increased cost.

CONTACT MARYLAND INSURANCE ADMINISTRATION

The Maryland Insurance Administration (MIA) is the state agency that regulates the business of insurance in Maryland. If you want to learn more about Shopping for Auto Insurance, the MIA's "**A Comparison Guide for Rates**," to get an idea of costs. This brochure is available on our website at www.insurance.maryland.gov or by calling us at 800-492-6116 to request a copy. Now we have an interactive guide for you:
<https://insurance.maryland.gov/Consumer/Pages/Auto-Insurance-A-Comparison-Guide-To-Rates.aspx>