

ATTENTION CAR OWNERS: ARE YOU READY TO SAVE?

Whether you drive a new car, a used car or a hunk of junk, the law says you need coverage.

In order to drive legally in Pennsylvania, you must purchase car insurance. It protects you against financial loss in the event of an accident by paying for damages to your own car or to another person's property. Rates fluctuate among companies, so if you know the facts and shop around, you could save hundreds of dollars.

KNOW THE FACTS

Your car insurance policy is a contract between you and your insurance company. The law requires you to have certain coverages:

- 1. Medical Benefits** – pays medical bills for you or any others covered by the policy, regardless of fault.
- 2. Bodily Injury Liability** – pays medical and rehabilitation expenses and any damages for injury you cause to other people.
- 3. Property Damage Liability** – pays to repair or replace another person's property that you damage.

Auto policies also contain a variety of optional coverages, such as comprehensive and collision, that can be purchased depending on your needs and wants.

Should you be stopped for a moving violation and you do not have insurance coverage, you could face the risk of fines, a suspension of your license and vehicle registration, fees to restore your license and registration and vehicle impoundment.

KNOW HOW TO SHOP

A good rule of thumb is to get quotes from at least three different insurance companies. Make sure your quotes are for the exact same coverages and limits. Cost does vary among companies. A good place to start would be the Insurance Department's *Rate Comparison Guide*, which lists the top 20 insurance companies - based on written premium volume - in each county.

KNOW HOW TO SAVE

Discounts. Most insurers offer discounts for safe drivers, safer cars, drivers with multiple policies, good students, seniors and more. Ask your insurance company today and you could start to save.

Tort Selection. You can select either the full or limited tort coverage option. Both allow you to sue for out-of-pocket medical expenses; full tort, however, gives you unrestricted rights to sue for non-monetary damages - such as pain and suffering. Limited tort typically gives consumers a savings on their premiums.

Deductibles. By choosing higher deductibles on comprehensive and collision coverage, you may be able to lower your policy cost. Just remember that the deductible you choose is what you are responsible for paying out of your pocket in the event you file a claim.

KNOW YOUR RATE

Before a company offers you a policy, you will go through a process called underwriting. By law, companies may not unfairly discriminate based on things like race, religion, nationality or ethnic group, age, sex, family size, occupation, place of residence or marital status.

Factors that play a part in determining your premium include the type and age of the vehicle, safety features, where the vehicle is garaged, the average number of miles driven in a year, the coverages and limits chosen for the policy and the driving history of the drivers, to name a few. Some companies do use credit information, initially, when underwriting new business applications.