

What to expect when you call for an auto insurance quote

OK, your car insurance just went up 25%, and you haven't had a ticket in years, or you just want to keep your current carrier honest. You pick up the phone (and hopefully call us) or you go on the Internet. Here is what you can expect and what you will need to get a solid price.

You'll need normal stuff like name, address, phone number and e-mail address. You'll need a list of all drivers, their dates of birth, social security numbers, and driver's license numbers. If you have VINs (vehicle ID Number) for all vehicles your quote will be the most accurate, but is not necessary to get a ballpark number. You'll also need to let the agent know who drives what vehicle and what the major purpose of driving is. For example, if it's just to the store or to take children here and there, you'll get a pleasure rate (the cheapest). If you drive to work 5 days a week (more than 3 miles one way) your rate will be higher. If you use your car for business (sales travel) it will also be higher, and I recommend that you make sure the vehicle uses are properly stated, so there won't be any problem when claim time comes. For instance, if you get a pleasure rate on a car that you drive 30,000 miles a year selling widgets and have an accident in Iowa, the coverage can be denied because you didn't have it properly insured (meaning that you didn't pay the appropriate rate to the insurance company, and also that you were misleading at the time of sale).

The reason for the social and driver's license numbers is that the company will get an insurance score (credit score) and most of the time will pull your driving record from the DMV. Higher insurance scores get better rates as does a minimum of activity on your driving record. Most companies will look at driving activity during the quoting phase, but some do wait until actual point of sale. Make sure if you have any tickets or claims (claims are situations when the insurance company has either paid out money to fix your car or someone else's) that they are duly noted. Shucks, they'll find out when they do the search anyway, and you don't want to get quoted a price and then get there to do the paperwork and have a much higher price.

Make sure that if you do switch insurance that you let the old carrier know. Some agents will help you with this (we take care of this for our insured's). If it is not at renewal of the current policy you should get a refund of unused premium. Also, make sure that your current company will not short rate you (charge extra for canceling midstream) or that you will still be better off even if it is not a pro rata cancellation.

Here are a couple of tips to keep in mind as you get quoted a new rate. While it is the agent's job to make sure that your policy is adequate, make sure that you have at least the same benefits on the new policy as your current one. Sometimes the premium can be reduced by changing the numbers. If the liability limit on your current policy is \$50,000/\$100,000, don't think that by buying a policy with \$25,000/\$50,000 that it is a better buy unless you are prepared to pay the difference out of your pocket if you have a loss. We see a lot of policies with a liability limit of \$100,000/\$300,000 and property damage coverage of only \$50,000. We try to quote \$100,000 of property damage. Sometimes it costs \$5-\$10 more per year, and in some cases even lowers the premium due to the discount for higher rates. Make sure that if you had towing and rental reimbursement on the old policy that it is in the new one as well. Once again, you buy insurance for when you need it, and what you don't need is a big surprise at the time of loss.

Good Hunting