

## Car Insurance: Five Things to Do When Shopping for Car Insurance

By Russell D. Longcore

Shopping for car insurance can be confusing, frustrating and expensive. But you can save hundreds of dollars annually if you'll use the strategies listed below.

Remember, folks. I'm an insurance adjuster. I'm the guy that keeps the promises that the insurance company makes. So, I bring a perspective to this topic that comes from years of handling insurance claims, not selling policies.

When I get a claim, it means someone who drives and owns a car bought car insurance. Then, something happened and there was a loss. Then, the policyholder submitted a claim to their insurance company.

But, at that point, the policy is already in place. The contract has been signed. The premium has been paid. This is NOT the time to find out that the coverage YOU THOUGHT YOU HAD is different from the contract.

Unfortunately, this is the most common moment when people find out their car insurance is not going to work like they had hoped. And do you know who it is who gets to break that news to the policyholder MOST OF THE TIME?

The Agent who sold the policy? No.

ME!! The Adjuster!

So, in an effort to help you buy the right car insurance, here are five tips when you are shopping for car insurance.

1. **Get at least three quotes.** Ask your friends, neighbors, relatives and co-workers who they have chosen for car insurance. Ask them for good and bad experiences. Five quotes would be better. Also, start shopping about three months before your renewal date, so that you have plenty of time to make a smart decision.
2. **Choose high deductibles and high liability limits.** Choose the highest deductible your budget will allow. Choose higher liability limits than just the minimum limits that state law requires. In today's world, personal injury is expensive, and jury awards are always high. What happens if you only have \$50,000 liability coverage, and a jury awards a claimant you injured \$250,000?
3. **In your quotes, make sure that all the coverages are as close to identical as possible.** Agents are adept at switching around coverages to get the premium lower. Make sure you are comparing "apples with apples."
4. **Try to bundle your coverages with one company.** Most insurance companies who write car insurance also write homeowners and renters insurance. They will give you significant discounts if you will place both your car and home insurance with one company. But, let your calculator be your guide.
5. **Don't do business with a company that gets a lot of complaints.** Phone the Department of Insurance in your state. Ask them if they have a report that lists the number of complaints that they receive about insurance companies. (I just wrote an

article about this recently, so I know that some states do have reports like that.) If the company you want to buy your car insurance from gets lots of complaints, DON'T USE THEM! Go on to another insurance company.

Well, that's it for now. If you will use these strategies, you'll buy your car insurance and save money. That will make you smarter than most people.

Remember this. Buying your car insurance wisely is best. However, at claim time, the insurance companies will not tell you the claims process that you should use to collect every dollar you are entitled to collect. **But I will.**

If you are one of the unfortunate people who experience a car wreck, you'll need to know how to handle your insurance claim so that you maximize your recovery. You will need to know how to take control of your insurance claim, and add hundreds or even thousands more dollars to your claim settlement. For more information, check out my website at: [www.insurance-claim-secrets.com](http://www.insurance-claim-secrets.com)

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## **Car Insurance: Five Things to Avoid When Buying Car Insurance**

By Russell D. Longcore

Buying car insurance can be frustrating, time consuming and confusing. But you can save yourself some time, frustration and confusion if you will avoid these five things when shopping for car insurance.

### **1. Low Deductibles**

When you choose low deductibles, the insurance company charges you the highest premium. That's because they are carrying most of the risk. The wise choice on Collision and Comprehensive (other than Collision) coverage is to take the highest deductible your budget could stand. If you already have a \$500 deductible, consider a \$1,000 deductible. You'll save a bunch of money on premium.

### **2. Low Liability Limits**

There are some car insurance companies out there that pride themselves on selling policies that are meet the state minimum requirements...just enough coverage to make you a legal driver in your state. I grudgingly admit that state minimum coverage is far better than having no coverage at all. However, most drivers have lives, assets and incomes that require better protection. If you injure another person in an accident, and they get a jury award of \$250,000, and you only have \$50,000 coverage...your finances are ruined a long time into your future. Choose very high limits...\$250,000 or higher. The coverage is inexpensive. You'll NEVER be sorry.

### **3. Phone quotes**

You need to get your car insurance quote IN WRITING. Why? Because you need to know exactly what is covered, the coverage limits and the deductibles. Getting quotes over the phone is convenient, but you need to have the agent follow up by sending you the written quote by mail, fax or email. NEVER buy car insurance based upon only a phone quote.

### **4. Inexperienced Agents**

I wrote an article entitled "Insurance Agents: Does Yours Measure Up?" In that article, I give all the criteria you should use to evaluate your insurance agent. But for this article, let me give you three recommendations:

- **Interview EVERY insurance agent** to find out their level of expertise. Only do business with the most qualified, educated and experienced agents. Let the inexperienced agents practice on people who don't care about protecting themselves the right ways.
- **Don't always chase** after the lowest premium. You get what you pay for. You'd be better served to pay a higher premium if a highly qualified agent takes care of you. You don't drive the cheapest car you can find, do you?

- **Never be hesitant** to call the Department of Insurance of your state if you have problems with your agent. Agents are regulated for a reason.

## 5. Companies that get lots of complaints.

I recently wrote an article about the Top Ten Companies who get the LEAST amount of complaints with the New York Department of Insurance (DOI). You can read that article which is also posted at my website address below. These are companies that get complaints at the DOI.

The three most common complaints are:

1. Monetary settlements – settlement amount is too low.
2. Policy terminations
3. Promptness of insurance claim payments

They are: (in order, least complaints top, higher number as you descend)

1. Mercury General Group
2. American Express, Amex Assurance, IDS Property Casualty
3. Eveready Insurance Co.
4. Electric Insurance Group
5. Amica Mutual
6. Preferred Mutual Insurance Co.
7. United Services Automobile Assurance Group (USAA)
8. Chubb
9. Utica Mutual
10. State Farm

My recommendation is that you should never do business with ANY company that ranks below the top ten in number of complaints about their service.

If you will avoid these five things, you stand a very good chance of buying the right insurance at the right price. Take control of your insurance!

If you are one of the unfortunate people who experience a car wreck, you'll need to know how to handle your insurance claim so that you maximize your recovery. You will need to know how to take control of your insurance claim, and add hundreds or even thousands more dollars to your claim settlement. For more information, check out my website at: [www.insurance-claim-secrets.com](http://www.insurance-claim-secrets.com)

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