



## How to reduce your auto insurance premiums

### 10 Tips: It may be time to sit down and review your policy

Here's something to stop and consider: When's the last time you devoted mental energy to the particulars of your auto insurance policy? Did you basically set it and forget it?

It's incredibly easy to let that happen — and if it has happened in your case, it might be high time to refresh your memory on just where your policy stands. You may be able to take a bite out of your insurance bill with a minimal amount of effort.

These quick tips can help you see whether you can save a little — or a lot.

1. Request higher deductibles. The deductible is the amount of money you have to fork over before your insurance policy comes to the rescue. By bumping your deductible up from \$200 to \$500, you could lower the cost of your collision and comprehensive coverage by 15 percent to 30 percent. By increasing it to \$1,000, you could decrease that cost by at least 40 percent.
2. Forgo coverage you don't need. Think about dropping collision and/or comprehensive coverage on older cars with a low market value. Such coverage often is not worth it because any claim you make probably won't exceed the cost of the insurance and the deductible amount. To assess your car's current value, visit Kelley Blue Book or Edmunds.com.
3. Avoid duplicating medical coverage. If you already have good health, life and disability insurance, buy only the minimum personal injury protection required by the state where you live.
4. Purchase a low-profile car. It's more expensive to insure a vehicle that's expensive to repair, popular with thieves or known for not having the greatest safety record. For a rundown of vehicles' risk levels, visit the Insurance Institute for Highway Safety's Web site. (To check on older models, go to the bottom of the page.)
5. Carpool or drive less. Many insurance companies offer "low-mileage discounts" to policyholders who carpool to work or drive a lower-than-average number of miles each year. You can call your insurer and find out whether you qualify.
6. Opt for safety gear. You can qualify for a discount on many policies if you have air bags, automatic seat belts, anti-lock brakes and daytime running lights. An approved alarm system or other anti-theft device can give you additional savings.

7. Seek out discounts for teens. Insure teenagers on the parents' policy rather than a separate policy. Teens who maintain good grades and pass an approved drivers' education course usually can qualify for reduced rates. An additional discount may come into play if your child goes to college more than 100 miles from home and doesn't bring a car along.

8. Combine policies with one carrier. You may save money if you insure all your vehicles, including trailers and recreational vehicles, on a single policy. Your car premium also may go down if you buy homeowners' or life insurance from the same company.

9. Ask about other discounts. You also might be able to pay less if you're older than 50 or 55 and/or retired; if you've had no accidents or moving violations in three years; or if you're a longtime customer. Keep an eye on the bottom line, though. Call a few other insurers to make sure you're paying the lowest overall amount.

10. Pause before paying extra for roadside assistance. It might be good to line up a roadside assistance plan elsewhere because a tow could increase your auto insurance premium and might even affect your eligibility for coverage. What's more, you may already have an adequate roadside plan through your credit card.