

Insurance Update



VOLUME 5, ISSUE 4

OCTOBER—DECEMBER 2011

PERSONAL INSURANCE

What Factors Affect Your Car's Premium The Most?

When shopping for a vehicle, most people understand that newer, more expensive cars cost more to insure. However, there are several other factors that also determine how much it costs to insure your vehicle.

These factors can result in a difference in premium between seemingly similar makes and models. If you are looking to keep your insurance premiums low, there are a few things to remember, even if you are comparing similar types of vehicles.

Some of the most important factors used to develop your rates are found in the inherent design of your vehicle. In addition to cost, damageability and the likelihood of occupants getting injured are also considered when developing rating plans for new automobiles. These



factors help contribute to determine how much premium would be charged for a vehicle.

Damageability is a measurement of how much it will cost to repair a vehicle after an accident. Construction features such as the design of a bumper or the presence of crumple zones may impact a

vehicle's damageability rating. Occupant injury factors are a measure of how likely a passenger in a vehicle will be injured in an accident. Those factors, which include strength of the roof—which can protect a passenger in the event of a rollover crash—are directly related to the cost to insure a vehicle.

To learn more about what vehicles are the most crash-worthy, visit the Insurance Institute for Highway Safety's website at www.iihs.org. There you will find a breakdown of which vehicles scored highest in crash safety testing. This information can help you find a vehicle that will keep your insurance rates low while also protecting you and your family.

BUSINESS INSURANCE

Is Your Garagekeepers Coverage Adequate?

Do you own an automobile repair facility dedicated to providing outstanding service to your customer? If so, it is vital that you maintain garagekeepers coverage with adequate limits and appropriate coverage.

What is garagekeepers coverage? This coverage is designed to protect you for damages that arise to a customer's vehicle on your premises or being driven while in for service or repairs.

How do you make certain your cov-

erage is adequate? It is important that your limit of insurance for garagekeepers coverage equals the maximum value of customer vehicles at your premises.

What are my Auto-Owners garagekeepers coverage choices?

- **Garagekeepers – Legal Liability:** This option provides coverage for your "legal liability." What if a tree from a windstorm falls on a customer's vehicle? No coverage!
- **Garagekeepers – Direct Primary:** This option provides you with coverage regardless of "legal liability" or the presence of customer insur-

ance on their vehicle.

Garagekeepers – Actual Loss Sustained (ALS) is available with these two choices. Adding this coverage to your policy protects you in that rare instance when your customer's vehicle value exceeds the limit shown on the policy. The loss will not be limited to the value shown.

Are you protecting your customer's vehicles? If you have questions about garagekeepers coverage, please contact our office.

CLAIMS

No Problem Glass & Road Trouble Service Coverage

All Auto-Owners auto glass claims are handled using either Lynx Services or Quest Claims Service.

To submit a glass claim, you, the glass shop or the agency should call Lynx Services or Quest Claims Services. They can be reached at:

Lynx Services
1-800-264-4143
Quest Claims Services
1-888-295-2590

The "No Problem"® Glass Program allows you to have the glass repairs performed at the shop of your choice. If your windshield is repaired versus replaced, Auto-Owners will waive your comprehensive deductible.



Roadside Assistance Program

If you carry Auto-Owners road trouble service on your auto policy and your vehicle breaks down, causing you to need assistance, just call

1-888-TOW-AOIC
(1-888-869-2642)

Road trouble service (RTS) provides coverage for the following types of services:

- Jump-starting your vehicle

- Unlocking your vehicle
- Getting your vehicle back on the road
- Changing a flat tire
- Delivery of operation fluids, though the cost of the fluids is the responsibility of the insured

- Towing your vehicle to the nearest qualified repair facility, if the vehicle cannot be repaired at the scene

If the cost of the service exceeds your RTS limit, you will be asked to pay the balance due at the time of the service. If the cost is less than your policy limit, then you will have no out-of-pocket expense.

Carrying road trouble service on your auto policy means you won't be stranded if your car breaks down.

LIFE INSURANCE

Manage Cost Of Aging With Long-Term Care Policy

The number of Americans needing long-term care is rising. According to a 2011 report by the U.S. Department of Health and Human Services, about 70% of individuals over age 65 will require at least some form of long-term care services during their lifetime. With the first wave of baby boomers having reached age 65 this year, these numbers will certainly continue to grow.

The cost for long-term care also continues to rise. The average annual cost for a

nursing home in 2010 was \$80,300 according to the LTCi Sourcebook. Assisted living costs averaged \$37,200 annually (\$102 per day), while home care hourly rates averaged about \$21.

A long-term care insurance policy is an excellent way to help with these costs. Purchasing a long-term care policy can help make these expenses manageable, and can also:

- Fill the void for much-needed protection
- Protect your personal savings

- Provide you peace of mind
- Allow you to choose the kind of care you will receive (Medicaid may place you in a facility you do not want to go to.)
- Provide a policy structured to fit your individual needs

Contact us to answer any questions you have on long-term care. We can work out an affordable plan that works best for you. Call our office today to get the conversation started!



The cost of caring for the elderly is rising, but you can manage that cost by purchasing a long-term care insurance policy.