

Pointers For Parents

Tips to Keep Your Teen's Auto Insurance From "Wrecking" Your Budget

(NAPSA)—Students across the country are gearing up to go back to school which means shopping for everything from clothes to school supplies. If you're a parent of a newly licensed teen driver, there's one more "must-have" added into the mix—auto insurance.

According to the Insurance Institute for Highway Safety (IIHS), drivers between the ages of 16 and 19 years old are four times more likely to be involved in an automobile crash than any other age group. So, it's understandable why adding your teenage son or daughter to your auto insurance policy can result in a significant premium increase.

"The crash statistics are stunning—and the price increase that results from adding a teen to your policy can be, too," said Rick Crawley, a product development manager, Drive Insurance from Progressive. "Auto insurance companies charge premiums based on their cost of doing business and because each company's costs are different, they each charge different rates. Just because you've been with the same insurance provider for years, that doesn't mean they are able to provide you with the best price—especially when adding a teen driver."

While it's nearly impossible to avoid a rate increase when you add a teen driver to your policy, the following tips may help curb the sticker shock.

• **Shop around.** Each car insurance company's customers have different claims experiences which can result in each company charging drastically different rates for similar coverages. By simply shopping around you could save hundreds of dollars. Keep in mind that while some insurance companies offer good student dis-



counts or discounts for taking a driving class, the key to savings is the final price. A company that offers new discounts may have a lower overall price.

• **Don't go solo.** In a majority of cases, teen drivers who are added to their parents' policy benefit from their price breaks such as discounts for owning a home, having several vehicles, being married, etc.

• **Consider raising your deductibles.** It's been estimated that raising your deductible to \$500 could reduce your collision and comprehensive premium by 15 to 30 percent.

• **Ask an expert.** An independent insurance agent or broker who represents a number of different companies can help ensure you are paired up with one that best meets your insurance and your budget needs.

"The good news is you can expect a teenager's rate to go down with time," said Crawley. "By being responsible now, teens can pave the way to lower rates in the future."

You can find an independent insurance agent or broker by looking in the Yellow pages or by visiting driveinsurance.com and using the "Find an Agent" tool.