



NW Insurance Council

Consumer Alert

Contact:

Kenton Brine, President
Sandi Henke, Deputy Director
NW Insurance Council
Phone: (206) 624-3330 / (800) 664-4942

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kenton.brine@nwinsurance.org
sandi.henke@nwinsurance.org
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Saving money on insurance: stretch your insurance dollars without compromising coverage

What to Know

- Many [leading insurers](#) are currently offering financial relief through premium refunds, dividends and discounts during the COVID-19 crisis. So far, auto insurers have announced the return of [\\$10.5 billion](#) to customers.
- Insurers offer a variety of ways to help you save to money on insurance premiums year-round. Contact your insurance company or agent to find out what discounts are available.
- When “normal” days return, it’s a good idea to shop around for the best and most affordable insurance coverage. Premiums can vary by hundreds of dollars depending on a variety of factors.

SEATTLE, April 23, 2020 – COVID-19 continues to disrupt our daily lives, and far too many have experienced a significant reduction or loss of income because of the virus. In response, [leading insurers](#) are offering help to their customers in a variety of ways, including offering premium payment “grace periods” – continuing coverage even if a

policyholder falls behind on payments – and by providing financial relief through premium refunds, discounts and credits on auto insurance.

The [Insurance Information Institute](#) (I.I.I.) reports that auto insurers have already announced they are returning \$10.5 billion to policyholders during the pandemic. The refunds, dividend payments and discounts being offered by insurers are possible because “stay home” orders issued by governors in 40 states, including Washington, Oregon and Idaho have fewer drivers on the road, fewer miles driven and fewer accident claims.

“There are more than a dozen auto insurance companies offering premium relief to policyholders across the country right now, and it is likely we will see more companies follow,” said NW Insurance Council President Kenton Brine “But whether or not your insurance company is offering COVID-19 relief, it is a good idea to check with your company or agent to see if you qualify for discounts or savings available from many insurers all year long.”

[NW Insurance Council](#) encourages insurance policyholders to reach out to an insurance company representative or agent to find out about available refunds or temporary discounts during the pandemic, but also to discuss other ways to save money on insurance without compromising on coverage.

[NW Insurance Council](#) and [I.I.I.](#) offer the following tips:

- **Contact your insurance company representative** today to ask about premium relief, discounts and refunds during the COVID-19 pandemic.
- **Ask about low-mileage discounts or mileage-based insurance policies.** If working, teaching your kids and even grocery shopping from home means you’re logging fewer miles in your car, ask if your insurer offers a mileage-limit or mileage-based policy.
- **Buy your home and auto policies from the same insurer.** Some companies that sell homeowners, auto and liability coverage will take five to 15 percent off your premium if you buy two or more policies from them.

- **Ask for higher deductibles.** The ‘deductible’ is the amount the policyholder pays out-of-pocket to repair a home or car before the insurance coverage kicks in. By requesting higher deductibles on a homeowners policy or on collision and/or comprehensive auto coverage, you can lower your costs substantially. For example, increasing the deductible on your auto policy from \$200 to \$500 could reduce your collision and comprehensive costs by 15 to 30 percent.
- **If you own an older car,** consider dropping [Collision and/or Comprehensive](#) coverage on the vehicle. If the insured vehicle is worth less than 10 times the premium, purchasing the coverage may not be cost effective. (Remember that for newer cars you have financed, your lender may require you to maintain Collision and Comprehensive coverage.)
- **Make sure your insurer knows** about safety, theft and damage prevention features in your home or car, which may qualify you for a discount. Remember: companies offer many types of discounts, but they do not all offer the same discounts. It’s important to ask your agent or insurance company about any discounts available to you.
- **Comparison shop.** Prices for the same coverage can vary by hundreds of dollars, so it pays to shop around. However, insurance companies in Washington, Oregon, Idaho and many other states are currently restricted in their underwriting practices by state-issued emergency orders, which may remain in place into mid-May or beyond. Be sure to talk with your agent or company about how that impacts your ability to change companies during this unprecedented time.

For more information, visit NW Insurance Council’s website at www.nwinsurance.org or call (800) 664-4942.

NW Insurance Council is a nonprofit, insurer-supported organization providing information about home, auto and business insurance to consumers, media and public policymakers in Washington, Oregon and Idaho.

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