



Stop driving your money away

Review your car insurance policies and find available savings.

From USAA Financial Services



With service members relocating every two to four years on average, military personnel and their families need to re-evaluate their insurance coverage more often than most. Auto insurance requires routine review to maintain the right level of coverage and avoid paying too much.

Here are a few tips to help you take the wheel and find auto insurance savings down the road.

1. Research Your Ride

A vehicle that is accident-prone or expensive to repair will cost more to insure. Cars that are popular among thieves also warrant higher premiums. You can research all of these factors at the Insurance Institute for Highway Safety website at www.iihs.org.



High rates of theft and vandalism in your neighborhood can drive up insurance costs.

2. Brush Up On Geography

Drivers will have higher insurance rates if their daily routine makes an accident more likely, such as commuting a long distance to work or regularly driving through congested metropolitan areas. Check with your insurance company to find out if living on the installation might lower your premiums, since you would be likely to drive shorter distances, drive less often, and keep your car parked in a more secure location.

High rates of theft and vandalism in your neighborhood also can drive up insurance costs. During your next permanent change of station, look into crime statistics for specific areas to help you make more confident decisions about where to establish a residence.

3. Understand Your Options

If stationed overseas, discuss your situation with your insurance company to explore money-saving opportunities, such as discontinuing liability coverage on a vehicle you keep in storage while you're away. Some military personnel buy an older, inexpensive car to use during their time overseas, to reduce costs by maintaining only liability coverage on that vehicle.

4. Find Your Comfort Zone

You can significantly lower your monthly premiums by raising your collision or comprehensive deductible to pay more out of pocket in the event of a loss. For instance, increasing your deductible from \$250 to \$500 may reduce your premiums and help you save money over the long term. But be careful — only take this direction if you are financially prepared to pay the higher

deductible without putting a strain on your personal finances.

Conversely, you may feel better paying higher monthly premiums, knowing you'll pay less out of pocket if an accident or theft occurs. The choice is yours to make, and your insurer can offer you quotes for several premium/deductible scenarios.

5. Save Through Safety

Safety should always be your top priority, especially when you purchase and drive a car. Driving safely and having the right equipment on your vehicle could save your life, not just save money on auto insurance.

Safety features such as air bags, anti-lock brakes and daytime running lights might merit an insurance discount. A clean driving record also can keep your monthly premiums down. A defensive driving training course (when not required by law) can more than pay for itself in the form of reduced insurance rates, and the classes are frequently available on military bases. Just ask your resident safety officer where you can sign up.

6. Investigate Your Insurer

Before deciding on an insurance carrier, review the company's complaints record and financial security, available through your state's department of insurance Web site or industry analyst companies like J.D. Power and Associates or A.M. Best Company.

You'll also want to explore other money-saving opportunities the company might offer, such as policyholder dividends or special rates during deployment.

7. Review Coverage Annually

As you steer through the twists and turns of your military career, remember to adjust your auto insurance accordingly. A good rule of thumb is to review your coverage annually, and check in with your provider in advance of any major changes to your lifestyle or financial situation. It just might make your life a little easier, and leave your bank account a little larger.



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