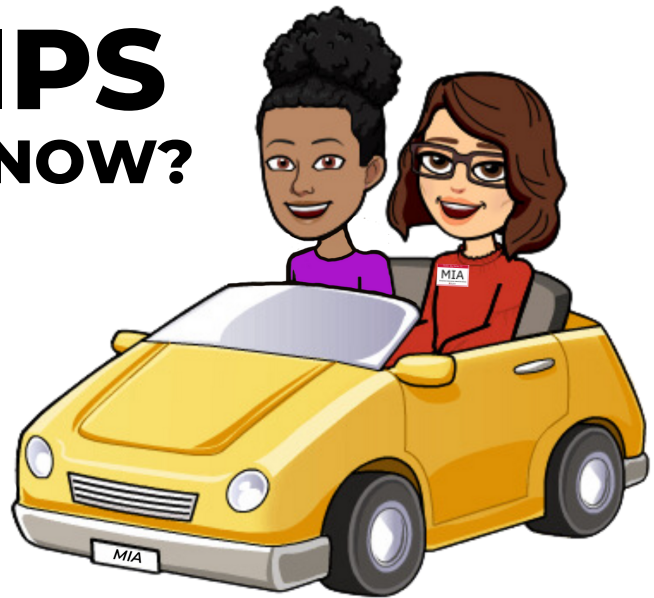


# INSURANCE TIPS

## TEEN DRIVERS: DO YOU KNOW?

### Q. WHAT IS INSURANCE?

A. Insurance is an important part of personal finances. When you buy insurance, you are buying protection against the possible financial costs of unexpected events. Insurance requires the insurance company to pay some or all of the costs you may be responsible for if you have an accident or file a claim. If you do not have insurance and cause an accident, you will be responsible for the full costs owed to the other person, including their property damage and personal injuries. When shopping for insurance, you should look for a policy that provides you with the coverage you need and is affordable.



If you are shopping for car insurance as a high school student, there are some important things to consider:

1. You should plan to be added to your parents' insurance policy as soon as you get your license. In some cases, you might need to be added to the family's car insurance policy when you get a learner's permit.
2. How will your driving record, accidents and tickets, affect your cost? As a new inexperienced driver, your insurance costs will increase the amount of premium charged by the insurance company. Your inexperience and a teen driver's perceived tendency to take risks behind the wheel will cause insurers to view you as high-risk, and therefore more costly to insure.

### STRAIGHT FACTS!

#### ***Center for Disease Control and Prevention reported:***

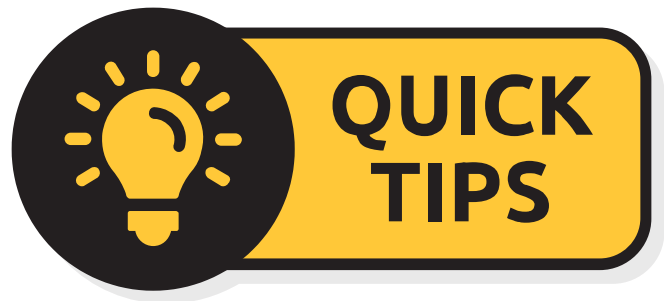
- Motor vehicle crashes are higher among teens ages 16-19 than among any other age group. Teen drivers have a fatal crash rate almost three times as high as drivers aged 20 and older per mile driven.
- In 2019, of U.S. high school students who drove, 39% texted or e-mailed while driving at least once during the prior 30 days.
- In 2020, 35% of male drivers and 18% of female driver's aged 15-20 years who were involved in fatal crashes were speeding at the time of the crash.
- 29% of drivers aged 15-20 years who were killed in motor vehicle crashes had been drinking.<sup>1</sup>

<sup>1</sup> Last Reviewed: November 21, 2022

Source: Centers for Disease Control and Prevention, National Center for Injury Prevention and Control

# INSURANCE TIPS

## TEEN DRIVERS: DO YOU KNOW?



### TIPS TO HELP SAVE MONEY ON YOUR AUTO INSURANCE:

Many insurance companies offer discounts for teen drivers who are added to their parents' policies. These discounts may include:

- **Good student discount:** If you maintain a GPA of 3.0 (B average) or better, you could be eligible for this discount. Insurance companies see teen drivers with good grades as less likely to take risks while driving. Insurance companies usually require that proof, such as a transcript, be provided every six months in order to qualify for a good student discount.
- **Defensive driver discount:** This discount requires the driver to complete an insurance company-approved course on defensive driving. Ask your parents' insurance company or insurance producer (agent or broker) to confirm the availability of the discount before taking such a course.
- **Telematics:** Telematics is a technology that analyzes your driving habits and reports them back to your insurer. This technology provides data that insurance companies use to determine your rates and possible discounts if the data shows that you are a safe driver. Telematics can be obtained using a smartphone app or a plug-in device that monitors behaviors like your speed and hard braking as well as your overall mileage.
- **Shop around:** The best way to find a good price is to compare car insurance quotes from several insurance companies. For more information, use the Interactive Auto Insurance Rate Guide found on the Maryland Insurance Administration's website:

<https://insurance.maryland.gov/Consumer/Pages/Auto-Insurance-A-Comparison-Guide-To-Rates.aspx>

