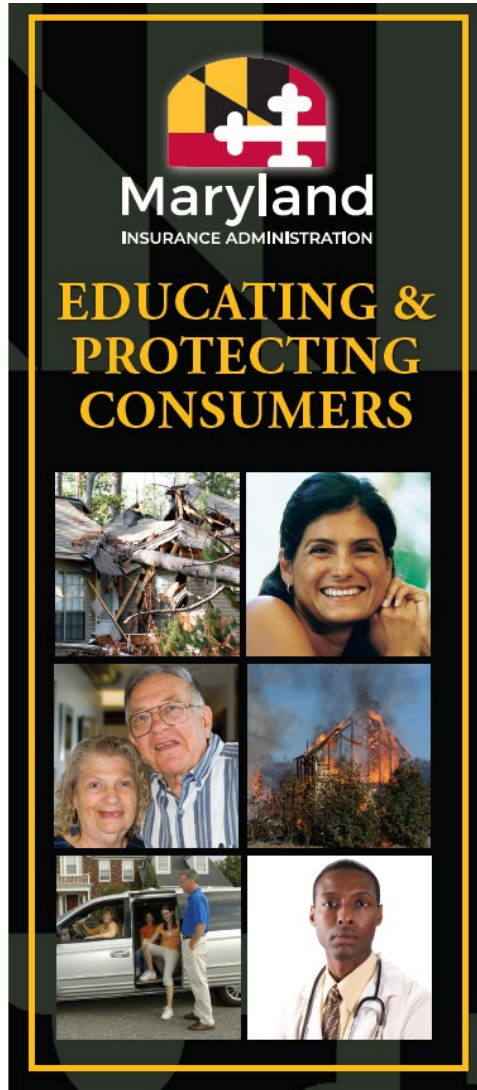




What You Should Know About Shopping For Auto Insurance

Consumer Education and Advocacy Unit

What is the Maryland Insurance Administration



The Maryland Insurance Administration (MIA) is the state agency that regulates insurance in Maryland. The MIA:

- Licenses insurers and insurance producers (agents or brokers).
- Examines the business practices of licensees to ensure compliance.
- Monitors solvency of insurers.
- Reviews/approves insurance policy forms.
- Reviews insurance rates to ensure rates are not inadequate, excessive or unfairly discriminatory.
- Investigates consumer and provider complaints and allegations of fraud.



Automobile Insurance Coverage



Auto insurance coverage may include several types of protection options.

However, Maryland state law requires all registered vehicle owners to purchase certain minimum protections and coverage levels.

Mandatory Coverages and their limits

Maryland law requires all registered vehicle owners to carry a minimum amount of liability coverage. The coverage required by law is:

- \$30,000 for bodily injury per person
- \$60,000 bodily injury per accident; and
- \$15,000 property damage

Mandatory Coverages and their limits

So what is Automobile Liability Insurance?

Liability Insurance protects policyholders and other insureds when the policyholder (or a legal driver they have allowed to drive their vehicle) causes an accident.

There are two types of liability coverage



Mandatory Coverages and their limits

Liability Insurance – protects policyholders and other insureds when they cause an accident.

There are two types of liability coverage:

- *Bodily injury liability coverage* – Protects you if the driver of your car causes an accident and an injured person makes a claim or files a lawsuit against you, unless the driver of your car is excluded or does not have a reasonable belief they are entitled to drive your vehicle.
- *Property damage liability* – Protects you if the driver of your car causes an accident resulting in damage to someone else's property, like another vehicle or other property, such as a fence, unless the driver of your car is excluded or does not have a reasonable belief they are entitled to drive your vehicle.

Mandatory Coverages and their limits

Uninsured Motorist (UM) coverage – protects you and other insureds under your policy's terms when an accident is caused by a driver who does not have auto insurance coverage, does not have enough liability insurance, or when the owner of the at fault vehicle cannot be identified such as in the case of a hit-and-run.

Maryland Law requires all registered vehicle owners to carry a minimum amount of UM. The coverage required by law is:

- \$30,000 for bodily injury per person
- \$60,000 bodily injury per accident; and
- \$15,000 property damage

Optional Coverages

Collision Coverage – an optional coverage that you purchase to provide for payment of property damage to your insured vehicle from a collision with another vehicle or object. If you are in an accident and have collision coverage, your insurer will pay to repair your vehicle or will pay you what your vehicle was worth right before the accident occurred if your vehicle is a total loss.

Comprehensive Coverage – pays for damage to your car resulting from causes other than a collision, like vandalism, theft, or storm damage.



A CONSUMER GUIDE TO
**AUTO
INSURANCE**



A full list of all of the optional coverages is available in our *Consumer Guide to Auto Insurance* that you can find at:
www.insurance.maryland.gov



Declarations Page

Your Insurer
3535 Second Street
Company Town, USA 54321

Policy number: XX-XXXXXX-XX
Policy period: 6 months
Effective date: January 1, 2020
Expiration date: July 1, 2020

Auto Insurance Policy <SAMPLE>

Year	Make	Model	Vehicle ID Number (VIN)
2011	Chevrolet	Camaro	2FZMPONW34X

Lienholder
The Bank
310 Main Street, Company Town, USA 54321

Coverages	Policy limits	Deductibles
Liability: Bodily injury	\$30,000 per person \$60,000 per accident	Collision \$500 Comprehensive \$100
Liability: Property damage	\$15,000 per accident	
Uninsured/Underinsured motorist bodily injury	\$30,000 per person \$60,000 per accident	Policy premium \$640
Uninsured/Underinsured property damage	\$15,000 per accident	Discounts applied
Optional coverage	Limits	Multiple vehicle Home/Auto/Life Mature driver Claim record/Customer longevity Air bags/Anti-lock brakes Premium paid in full
Roadside assistance	\$100 per occurrence	
Rental car reimbursement	\$30 per day \$1,000 maximum	

Your policy consists of this page, any endorsements and the policy form. Keep together.

A **Declarations Page** is an overview of your insurance policy that your insurer will give you every time your policy renews. It is important to remember that this is **NOT** your insurance policy - it is only a summary of the coverages.

The Declarations Page will include the name of the insurer, the name of the policyholder(s) and the date of the new policy period.

Declarations Page

The Declarations Page will list all of the vehicles covered by the policy and what coverages apply to each vehicle. It will also list any lienholders.

It is very important that you review the Declarations Page as soon as you get it to be sure that the information for each insured vehicle is accurate and that you know what your policy will cover. If you see any incorrect or missing information, you should contact your insurance producer or insurer immediately.

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Company Town, USA 54321

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Optional coverage

Optional coverage	Limits
Roadside assistance	\$100 per occurrence
Rental car reimbursement	\$30 per day \$1,000 maximum

Your policy consists of this page, any endorsements and the policy form. Keep together.

How are automobile insurance rates determined?

There is a wide variety of criteria considered to help the insurer in predicting the likelihood that you will be in an accident or to file a claim.

- **Age**
- **Sex**
- **Marital Status**
- **Number of miles driven annually**
- **Driving record**
- **Credit history**
- **Purpose vehicle is being driven for (vehicle use)**
- **The location of where the vehicle is garaged**
- **Driving experience**
- **Claims history**



Why do automobile insurance rates increase?

- General rate increase - Sometimes the premiums collected by an insurer may not be enough to support the projected costs of the claims. When this occurs, an insurer may file with the Maryland Insurance Administration a request for a general rate increase, which the MIA must approve.
- Policyholders rate increase – Policyholders who receive tickets, or are involved in accidents may see a rate increase.



What can you do? – Comparison shop

Comparison shop by looking to see if you can obtain those same coverages from another insurer at a lower cost.


- ✓ Make sure you compare policies that offer the same types of coverage with the same deductibles and coverage limits.
- ✓ Make sure the information you provide is accurate and that you provide the same information to each insurer you call.
- ✓ Ask about deductibles and when they apply.

What can you do? – Comparison shop

- ✓ Ask about what is covered and what is excluded.
- ✓ Do not buy an insurance policy based solely on its price – consider the coverages, limits and the customer service, including claims service before you buy.
- ✓ Ask friends and neighbors about their experience with different insurers.
- ✓ Ask your insurer whether there are any discounts that might be available to you (good driver discounts, multi-policy, multi-vehicle, protective device). Not all insurers offer the same discounts.

Rate Guide

AUTO INSURANCE
A COMPARISON GUIDE TO RATES




Maryland
INSURANCE ADMINISTRATION

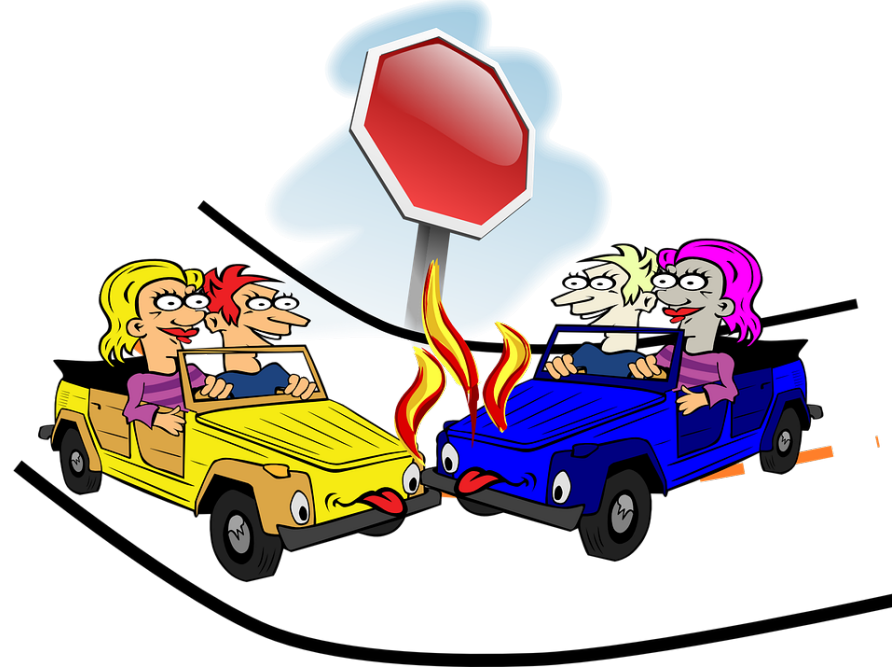
As of February 2022





Auto Insurance 10 Tips

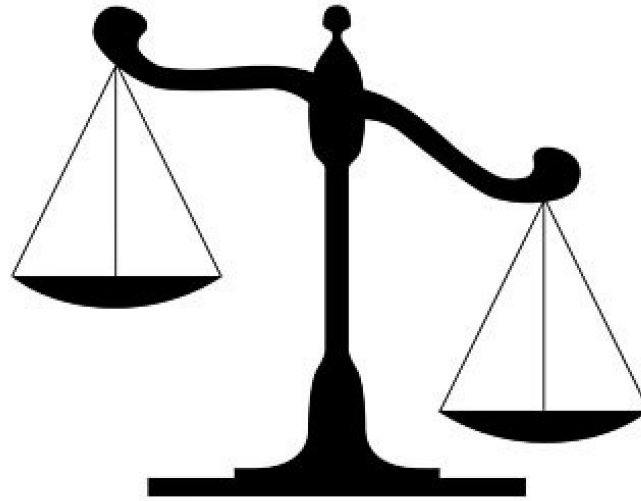
Consumer Education and Advocacy Unit



**Understand the difference between liability,
collision and comprehensive insurance**



Think carefully about your deductibles



Think carefully about your coverage limits



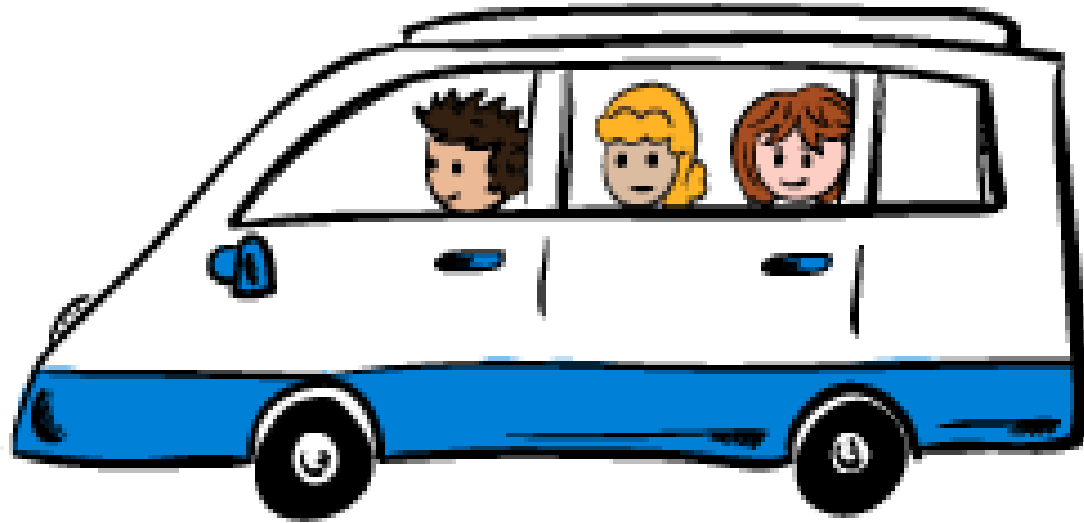
What about PIP?



Understand how your credit affects your auto insurance rate



Comparison shop



**If you plan to drive with a rideshare company,
notify your insurer**



Consider Gap insurance



Understand What You Need to Know Before Canceling Your Auto Insurance



Know how to file a complaint with the Maryland Insurance Administration

Contact Information

Maryland Insurance Administration

800-492-6116 or 410-468-2000

www.insurance.maryland.gov



Maryland Insurance Administration



Maryland Insurance Administration



marylandinsuranceadmin



MD_Insurance

