



Auto Insurance Myths and Realities

Auto insurance rates have been going up. Insurance companies cite cheaper gas and an improving economy for putting more of us on the road driving more miles. That has resulted in an increase in crashes and the amount of money insurance companies are paying out.

You may be wondering what other factors affect your auto insurance costs. To help you understand how insurance companies determine what they charge, we thought we'd dispel some misconceptions. Buckle up and enjoy the ride as we separate fact from fiction.

Insurance Myths

Myth 1: The color of your vehicle determines what you will pay for auto insurance.

Fact: Really! Who came up with that one? We've heard it too, but it is just not true. Think about it, have you ever been asked what color car you drive when you've bought insurance? Most insurers want to know if the car you drive is a Toyota or Ferrari, what kind of driving record you have, and the miles you drive each year.

Myth 2: Older drivers pay more for auto insurance.

Fact: Many drivers over 55 years of age can qualify for a reduction in auto insurance rates if they successfully complete a safe driving course or meet other requirements. Many insurance companies consider a healthy retired driver who only uses the car sporadically and has a long clean driving record a better risk than a driver in their teens or early 20's.

Myth 3: Your state's minimum liability auto insurance requirements are enough to protect your assets.

Fact: You may have insurance, but if you have California's minimum liability requirements you may not be adequately protected. Medical costs are soaring and injury lawsuits following crashes are rampant. With minimum liability, if you are found "at fault" for an accident in which others were hurt, you could be paying out of pocket for lost wages, pain and suffering and medical expenses that could easily add up to much more than your liability limits. Losing a law suit could also mean having to sell your home and having your future income garnished to pay those bills.

Myth 4: Your auto insurance policy covers damage to your car from a crash or if it's stolen.

Fact: Not unless you purchased comprehensive and collision coverage. They are optional for most auto insurance policies and pay when your vehicle is crunched in a crash that you caused, or is damaged by flood, fire, windstorm, vandalism or if it is stolen. If you don't have comprehensive and collision coverage, you'll pay out of pocket to repair or replace your vehicle if something happens.

Myth 5: Your personal auto insurance covers business use of your vehicle.

Fact: Most personal auto insurance policies exclude business use of your vehicle. If you are using it to deliver pizzas or you've signed on as an Uber or Lyft driver, you may need a commercial auto insurance policy. You should talk to an insurance advisor as soon as possible.

Insurance Reality

There are some things you can do to reduce the amount you pay for auto insurance:

- Check for good driver/good student discounts
- Check insurance costs when buying a new vehicle
- Combine your insurance (auto with your home or renters, or if you and your spouse or partner have individual policies)
- Reduce your commute (ride a bike, use mass transit or move closer to where you work)
- Increase your deductibles
- Research the insurance costs of a new vehicle before you buy one
- Get a policy review

If you haven't looked into California Casualty, you are missing exclusive benefits for CTA members not available to the general public:

- Deductibles waived or reduced for vandalism or accidents that occur to your vehicle parked where you work
- Personal property damaged or lost in a collision, fire or taken from your car is covered up to \$500
- Rates guaranteed for a full year (not six months)
- Free identity theft protection with each policy
- Multiple payment options including E-Z Pay and holiday or summer skips

Contact a California Casualty advisor today. You might be surprised at the savings and all the benefits you qualify for as an educator at 1.800.800.9410 or www.calcas.com/CTA.

California Casualty has been a trusted partner with the CTA for more than 65 years, providing its members auto and home insurance tailored to their professional needs. Headquartered in San Mateo, California, with Service Centers in Arizona, Colorado and Kansas, California Casualty has been led by four generations of the Brown family. To learn more, or to request an auto insurance quote, please visit: <http://www.CTAMemberBenefits.org/calcas> or <http://www.calcas.com/CTA>, or call 1-800-800-9410.