

CHOOSING THE RIGHT VEHICLE INSURANCE COMPANY: TEN QUESTIONS TO ASK YOUR AGENT

By Ryan Furmick, business auto product manager, Progressive Commercial

Your vehicles are the backbone that keeps your business up and running. So when it comes to insurance for those vehicles, make sure that you're covered by an insurance company that fits your business needs – because the last thing you want when you have a claim is to find out you have insufficient coverage.

When you're working with a local agent to build your policy, make sure to ask these ten questions to help you decide which carrier is right for your business.

Coverages

1) Are all of my drivers covered, even if they're not listed on my policy?

Ask your insurance company what their policy is for covering employees who drive your business vehicles. Some vehicle insurance companies will only extend coverage to drivers who are specifically named on the policy. So, every time you give the keys to one of your vehicles to a new driver, you would need to call your insurer and add them to the policy or else they wouldn't be covered in case of an accident.

Some insurers, like Progressive, allow "permissive use," which means that all of your drivers are covered as long as they have your permission to operate the vehicle.

2) Are my employees' personal vehicles covered if they get into an accident while running a business errand? What about rental cars?

In many cases, rental cars and employee vehicles aren't covered under a standard commercial auto insurance policy. And if one of those vehicles is damaged in an accident, you could be liable.

If your business often uses rental vehicles, or if you send employees on business errands in their personal vehicles, consider adding Hired Auto, Non-Owned Auto or Any Auto Coverage to your policy.

3) I'm a seasonal business and don't need full coverage in my off months. Can I move to a Comprehensive-only policy in slow months?

Absolutely. A Comprehensive-only policy provides coverage for businesses that don't need liability coverage during certain months, but want basic protection against incidents, such as vandalism, theft, falling tree branches, hail, etc. This is ideal for vehicles that sit for long periods during off-season.

Plus, a Comprehensive-only policy provides continuous insurance. If you were to drop your insurance completely, you might pay significantly more to purchase a new policy when your peak season rolls around because most insurance companies want to see proof of continuous coverage.

4) What can you recommend to increase the safety of my drivers and to lower my premiums?

Many larger independent agents that specialize in fleets can recommend driver training programs specifically designed for your industry. These programs can help increase the safety of your drivers and, in some cases, lower your insurance premium.

Claims

5) What kind of service can I expect if I have a claim?

Find out how quickly, on average, your insurer resolves claims. The faster they take care of your claim, the faster you can get your vehicle back to work.

One thing that can affect turnaround time is whether your insurer uses full-, part-time or contract claims adjusters. Some companies use part-time or contract adjusters to handle commercial vehicle claims, which can slow down the process.

Progressive handles 100 percent of commercial vehicle insurance claims, even heavy trucks, with its own staff of in-house commercial insurance experts, making sure claims are processed faster than other insurers that outsource this work.

6) When I have a claim, is there anything I can do to get my vehicle back on the road quickly?

Even if the accident isn't your fault, report the claim to your insurance company as soon as possible. They can work with the insurance company of the at-fault driver to help resolve the claim and get your vehicles repaired quickly.

Additionally, carry an accident information kit in each of your vehicles to make it easy for your drivers to capture insurance, driver and witness information following an accident. Most fleet safety companies and local agents have these readily available.

Customer Service

7) Do you provide help with state and federal filings?

Some commercial auto insurers won't cover vehicles that require filings, while others simply don't have the capability to help you get the filings your business needs.

Insurers like Progressive can leverage their truck insurance expertise to provide customers with filings assistance, which can save you time.

8) Do you offer 24/7 service?

Many insurance companies are only available during regular office hours, which can make filing a claim, adding a vehicle to your policy, and paying bills inconvenient. Before you buy, check with your insurance company to make sure they're available when you need them.

9) Will you shop my policy on a regular basis?

Although it's easier to stay with the same insurance company than shop around for new coverages, ask your agent to regularly quote your policy with other carriers to make sure that you're getting the best deal.

In addition to vehicle insurance, you may need a wider range of additional coverages to protect your business, from general liability to workers' compensation. While it might be easier to buy all of these products from the same company, you could save big bucks by buying your policies from separate providers.

10) What are my payment plan options? Do I have to pay my entire premium up front?

Some insurers have significant finance charges associated with their bill plans or don't offer flexible payment schedules. Look for companies that offer flexible pay plans, including low initial payments and no finance charges. For example, Progressive offers plans that start with as little as 8.3 percent down.

Have a few questions of your own? Talk to Smucker Insurance. We can provide answers and help you determine which insurer and which coverages are right for your business.

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