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Bay State drivers to benefit from auto insurance change

AS I SEE IT

By Vincent V. Nieroda

Beginning today, Massachusetts drivers will be able to do something they haven't been able to do for more than 30 years — purchase auto insurance that is competitively priced. No longer will all companies charge the same price. Instead, insurers will aggressively vie for your business, offering lower prices, improved coverages and enhanced services.

That's great news for consumers, who will have a lot more choices, and fortunately, will be able to turn to their local independent insurance agents for help making good decisions.

Since the late 1970s, drivers in the commonwealth have had little say in purchasing auto insurance, as rates and the product were all the same, dictated by the Division of Insurance. That is all changing. Bay State drivers now will start reaping the benefits of competition long enjoyed by drivers in our country's other 49 states.

This welcome change will allow Massachusetts residents to shop around for a car insurance policy that best fits their individual needs and budget. Consumers with good driving records, irrespective of where they live, will have companies competing for their business.

Already, insurance companies are introducing innovative coverages as they try to woo and retain customers here in Massachusetts. This means added features, new and bigger discounts and lower rates for a significant number of drivers.

For example, local drivers now can opt for coverages such as accident forgiveness, diminishing deductibles or optional coverage that will pay the difference between what a stolen or totaled car is worth and what you still owe on it. In addition, insurance companies are offering a wide range of policy "add-ons," such as rental car provisions and towing and labor packages.

As competition intensifies, Massachusetts drivers can expect more of the same.

Drivers will do best if they are informed and educated about the changes taking place, and are ready to do some homework. Price alone should not be the deciding factor when choosing an insurance company or an auto insurance policy. The cheapest policy isn't necessarily the best.

In fact, saving a few dollars on a policy can cost thousands of dollars or more in the event of a claim.



An independent agent can help drivers make the right choices, providing guidance that protects you and your family.

By carefully evaluating each driver's needs, an independent agent can identify and suggest the appropriate insurance program for you based on coverages and limits, available discounts, service, reputation and price. Because independent agents typically represent many different insurance companies, the role they play is to find the right policy for each driver's needs.

Competition in the commonwealth's auto insurance market is a good thing for the state's drivers. Those who take the time to learn about the changes taking place, to truly understand their needs and to tap into the expertise of an independent agent when shopping for insurance, will reap the benefits the new system is intended to deliver.

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