



Frequently Asked Questions

Why buy insurance?

What is auto insurance and how does it work?

Auto insurance protects you against financial loss if you have an accident. It's a contract where you pay a rate — commonly referred to as the 'premium' — and the insurance company covers losses listed in your policy.

Do I have to have auto insurance?

In every state but New Hampshire and Wisconsin, if you own or drive a vehicle, you must have Liability insurance coverage. If you lease a car or have a car loan, you'll probably need Comprehensive and Collision coverage as required by your loan agreement. Your independent agent can tell you exactly what your state requires.

Besides legal or loan requirements, why should I buy auto insurance?

The average new car costs close to \$30,000, while some cost over \$50,000. The relatively small insurance premium you pay covers you for much higher losses; without insurance you're liable for every penny. Plus, insurance companies are a big help in getting your damaged vehicle repaired.

Can I get insurance without a U.S. driver's license?

Some companies will insure you without it, some won't. Progressive insures drivers with a foreign driver's license in any state except New York and Maine.

Where to buy

Why buy auto insurance from a local independent agent?

A local independent agent is a member of your community who understands your insurance needs and has the ability to find you the best rate by shopping with multiple insurance companies (vs. a captive agent like State Farm or Allstate who only sells insurance for one company). Your independent agent is your neighborhood resource who can help you understand your insurance, can help manage your policy by making updates when your life changes and who can assist you with all insurance-related matters.

What should I consider when shopping for insurance?

A few things to think about:

- **Rates:** Does one company offer a lower rate for the same coverage?
- **Payment Options:** Are they flexible? Does the company offer discounts for a particular payment method?
- **Service:** Does the company offer 24/7 bilingual customer and claims reporting service?
- **Claims:** Do they have responsive claims service that can save you time and stress if there's an accident?
- **Financial Strength:** Is the company stable, with a proven track record?



What to buy

How much coverage do I need?

Coverage is based on your individual situation.

- Pick a deductible you can pay out-of-pocket in case of an accident.
- If you make payments or lease a car, you may need Comprehensive and Collision along with Liability coverage.
- How much in personal assets do you need to protect? You may need liability limits higher than your state requires.
- Do any drivers live in your house but never drive your vehicles? In many cases, you can exclude them from coverage on your policy to lower your rate.

Please refer to our Insurance Basics brochure for more information.

What is a deductible?

It's the amount of money you agree to pay out-of-pocket for damage from an accident before the insurance company pays. For example, if you have Comprehensive coverage with a \$250 deductible and your new car is stolen, the insurance company pays for the value of your car minus that \$250. Going with a higher deductible lowers your premium, but increases what you owe out-of-pocket.

Rate and billing questions

What could affect my rate?

Some examples of what can impact your rate are: your driving and violation history; your age, gender and marital status; the age and type of your car; where you live; how much coverage you buy; and your credit and prior insurance history.

If I have an accident, will my rate go up? Will I lose my insurance?

That depends on the insurer and who is at fault. Some insurers won't renew drivers with accidents and tickets. Progressive will not nonrenew your policy or refuse to take you as a new customer just because of an accident or past violations.

How can I lower my insurance rate?

Here are some simple ways:

- **Clean driving:** Avoid accidents and traffic violations.
- **Increase your deductibles:** The higher the deductible, the lower the premium.
- **Check your discounts:** Make sure you're getting everything you qualify for.
- **Pay your bills on time:** Good credit history may help keep your insurance rate low.
- **Buy only the coverage you need.**

Do I get an auto insurance discount if I own a home?

Many auto insurers offer homeowners discounts. Progressive will give you a homeowner's discount whether or not you insure your home through us.

Why do many auto insurers use credit history to set rates?

Some insurers have found that they can use insurance scores, calculated from your credit history, as a way to offer consumers lower rates since they are useful in predicting an individual's likelihood of having an accident. Progressive will insure a consumer regardless of credit history.

Can I get a rate without a Social Security number?

Yes. Insurers use your Social Security number to pull your credit history, but it can be done with just your name and address. Even if Progressive can't obtain your credit history, we will still offer you a rate to purchase a policy.



Does the government regulate insurance rates?

Every state regulates rates charged by insurers that offer insurance in their state. They are required to file their rates and other information based on each state's laws.

Coverage issues

Does my policy cover my family members/members of my household?

Any member of your household listed on your policy will be covered by the policy. If you do not want a member of your household to be covered on your policy, consult with your independent agent for further information.

Am I covered by my auto policy if I am driving in Mexico or outside the United States?

Most insurers in Texas cover some infrequent automobile usage in Mexico. You should consult with your independent agent to determine if your policy includes any Mexico coverage. If you need Mexico coverage, your independent agent can offer you a separate policy.

Does my insurance cover me when I am driving as part of my job?

It depends on the kind of job you have as well as the type of vehicle. It is possible that you need a commercial auto policy instead of a personal auto policy to insure your job or small business. Progressive sells both types of policies.

For more information on Progressive or any insurance coverage issues, contact your local independent agent.

Do you find this information beneficial? Contact your local independent agent for our Insurance Basics and Teen Driving brochures.

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