

How Are Insurance Premiums Affected when Your Children go away to School?

info provided by: InsuranceHotline.com.

September is coming soon and thousands of college and university students will be leaving the nest and heading off to school. If your child has been added to your auto insurance policy, you should notify your insurance professional of this change. Your agent or broker can make or explain any modifications to your policy that may be required as a result.

If your child is going to be living at home and going to school in the same community, your insurance needs and coverage probably won't change. If your child is moving a significant distance from home, though, there will likely be some changes to your coverage and premiums.

Making intelligent alterations to your coverage can save you hundreds of dollars in insurance premiums throughout the school year. This is a real benefit to parents trying to put their kids through expensive college and university programs.

Reducing Insurance Costs for Post Secondary Students

Here's are some ways to reduce costs:

1. Keep your child on your insurance policy.

For most young drivers, especially young males, the cost of owning their own insurance policy can be quite high. It usually makes good financial sense to keep them insured under your policy as a secondary driver, if at all possible. This is particularly true if your child is moving to an urban center that has a substantially increased risk of theft or vandalism. Most insurance companies offer multi-car discounts for loyal customers, allowing you to insure your child's car at reduced rates. Make sure that you inform your agent well in advance of the changes. Failure to do so may result in your child not being covered under your policy.

2. If your child will not be driving while at school consider changing your child's insurance status to "restricted".

If your child won't be taking a car with them to school, you may be entitled to a discount on their portion of your premium. If your child is away at school you get a reduction of about 50%, depending upon how far away they are. Make sure you inform your insurance professional when your child returns home for the summer. It is generally not a good idea to cancel your child's insurance completely as it will most likely cost you more in the future to insure them

again.

3. Ask for student discounts for having good grades.

Students who have good grades may be eligible for discounted premiums. This can make a big difference in your overall insurance costs, particularly if you have more than one child attending post-secondary education. If not, you can always shop around for insurance rates and options that better suit your family's current needs and goals.

4. Remind your child of the importance of a clean driving record.

Young drivers, especially young males, tend to suffer significant increases in premium costs if their driving record has one or more blemishes on it. It's worthwhile to keep in mind the importance of safe and defensive driving practices.

Some insurance companies offer accident forgiveness programs for the first accident or traffic violation on your child's record. This type of program can be very beneficial for students whose lack of driving experience might lead to an occasional fender bender.

You may want to consider scheduling an appointment with your insurance agent or broker and discuss the changes that your family is about to experience. Your insurance professional can answer questions that are unique to your personal situation and show you how to keep your insurance costs manageable while maintaining the coverage that you need. If your rate remains the same or increases remember that you always have the option of shopping your rate around. This can be done quickly and easily through online sites such as [InsuranceHotline.com](https://www.insuranceHotline.com). There may be a cheaper rate for you for the exact same coverage.