

AUTO INSURANCE

SHOPPER'S GUIDE



KANSAS
DEPARTMENT
OF INSURANCE

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insurance.kansas.gov

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WHY DO I NEED AUTO INSURANCE?

Kansas law mandates that anyone who operates an automobile in Kansas has auto insurance. Proof of this insurance is required when registering a vehicle, renewing a registration, requested by a law enforcement officer, or in a motor vehicle accident.

When you purchase auto insurance, your policy combines multiple individual coverages that protect you against a specific type of loss. The following briefly describes each form of basic coverage in a personal automobile policy contract:

* Denotes minimum requirements in Kansas

COVERAGE	PROTECTS AGAINST	EXAMPLE
Bodily Injury Liability*	Injury you cause with your car	You rear-end another driver and the impact gives them whiplash
Property Damage Liability*	Property damage you cause with your car	You run a stoplight and cause an accident with another car, smashing their passenger-side door
Personal Injury Protection*	Medical expenses and lost wages for you and your passengers after an accident	You are in an accident regardless of who is at fault
Uninsured/Underinsured Motorist*	Provides coverage for expenses associated with bodily injury caused by an uninsured or under-insured motorist	You are t-boned by an uninsured driver and your injuries require treatment

BEYOND THE BASICS

Comprehensive	Damage not caused by a collision	Tree branch falls onto your car's roof and causes damage
Collision	Damage caused by a collision, no matter who was at fault	You backed into a telephone pole and cracked your rear bumper

KANSAS MINIMUM MANDATORY COVERAGES AND LIMITS

Kansas law requires that every personal automobile insurance policy sold in the state have these minimum coverages:

COVERAGE

Liability Coverage	\$25,000 per person – bodily injury
	\$50,000 per accident – bodily injury
	\$25,000 per accident – property damage
Personal Injury Protection	\$4,500 per person – medical expenses
	\$900 per month for one year – disability/loss of income
	\$25 per day – substitution benefits
	\$2,000 – funeral, burial or cremation expenses
	\$4,500 – rehabilitation expenses to train for re-employment
	\$900 per month for one year – disability/loss-of-income survivor benefits
	\$25 per day for up to one year – substitution benefits
Uninsured/Underinsured Bodily Injury	\$25,000 per person – bodily injury
	\$50,000 per accident – bodily injury

You may buy a policy that exceeds these minimum amounts. The Kansas Department of Insurance recommends you purchase coverage that meets your needs. Talk with your agent about your personal needs.

COVERAGE OPTIONS

Additional optional coverage – sometimes called riders – are available to you. Consult with your insurance company or agent about what coverages you may need, as some of these benefits may already be covered in your base policy.

Rental Reimbursement

Provides for a limited daily amount for rental car charges while your motor vehicle is repaired for covered damages. Policies generally limit the maximum dollar amount and the number of days the coverage is in force per occurrence.

Auto Glass Coverage

Provides for partial or full coverage of a damaged or broken windshield

Excess Medical Payments Coverage

Provides for necessary excess medical amounts over and above those paid under PIP/Kansas no-fault benefits.

Umbrella Liability Policy

Provides an additional \$1 million to \$5 million limit of liability coverage beyond the limits of your primary personal automobile liability coverage. Pays only after you exhaust the limits of the primary policy.

TIPS FOR LOWERING YOUR PREMIUMS

- Review your personal automobile insurance coverage periodically with your agent or insurance company, and update if necessary.
- Compare premium rates for identical coverages and terms.
- Maintain a good driving record that does not have moving traffic violations and/or chargeable accidents.
- Maintain a good credit score. Plan eligibility may be affected by your score.
- You may qualify for a discount if two or more vehicles are insured with the same company or your vehicles have airbags, anti-lock brakes and/or other safety equipment.
- If you have other insurance policies, such as homeowners, renters, life or health, with the same insurance company, you may qualify for a discount. This is known as bundling.
- Before purchasing a car, determine the cost of automobile insurance. Repairs to some vehicles cost more than others and can increase your premium rates.
- Consider having liability-only coverage – as opposed to full coverage (comprehensive and collision) – on motor vehicles valued less than \$3,000. Your savings on premiums can be significant.
- Consider raising your deductible on comprehensive and collision coverage.
- Participate in a course on driver safety and motor vehicle avoidance. Talk to your agent about these courses – they can yield varying levels of premium discounts.

TIPS FOR PARENTS OF TEENAGE DRIVERS

- If your teenager does not own a car – meaning the title is not in his or her name – and has had no moving traffic violations and/or chargeable accidents, ask to have your teen rated on your family's personal auto insurance policy as an occasional operator.
- Check for discounts available through your insurance company. You may be able to get a discount for having multiple vehicles insured by one company. Some of these may be related to a student's academic excellence, or if a student is attending a postsecondary institution far from home.
- Sometimes teenage drivers are assigned to the most expensive car in the household. You can save money by making sure your teen's name is assigned to the right car.

SHOPPING CHECKLIST

There are some common questions you will need to answer when shopping for auto insurance. Remember, the least expensive deal is not always the best deal. Good insurance value means finding the right price, best coverage and quality service. Ask what discounts will save you money. Make sure the premium quotes you get are for the same term and coverage. For example, not all companies will offer the same deductible options.

Motor Vehicle Information

Year _____ Make/Model _____ Motor Vehicle ID No. (VIN) _____

Motor vehicle location (city, county, state and ZIP code) _____

Vehicle primarily used to travel:

_____ To and from work _____ To and from school _____ For pleasure
_____ For business _____ For farming _____ Other

Number of miles driven each year _____

Number of miles to/from work or school _____

Owner of Motor Vehicle

Name _____ Relation to insurance applicant _____

Age _____ Sex _____ Marital status _____ Occupation _____

Drivers to be Insured on the Policy

Name _____ Driver's license number _____

Age _____ Sex _____ Marital status _____

Accidents/Moving Traffic Violations

Number of convictions for moving traffic violations in past three years _____

Number of accidents in the past three years _____

Ask About Discounts for:

_____ Having multiple vehicles insured by one company	_____ Being a good driver
_____ Having auto and home or renters policies with one company	_____ Being a good student
_____ Taking a driver education/accident prevention course	_____ Having low annual mileage
_____ Having a car equipped with safety devices	_____ Being a mature driver
_____ Having a car equipped with anti-theft devices	_____ Carpooling

HOW ARE MY PREMIUMS DETERMINED?

Companies can consider chargeable accidents for rating purposes for 3 - 5 years per accident. A chargeable accident is anything your company writes a check for. The percentage and amount of a surcharge may vary between companies.

Underwriting

Just because you apply with a particular insurance company does not mean the company has to provide insurance coverage to you. Underwriting is a process in which an insurance company determines if the risk you present to the company meets the standards or guidelines it has established for you to obtain or retain insurance coverage with the company. Underwriting takes into account factors about you, factors about other insureds in the household and your driving habits, as well as a handful of other factors.

Eligibility into a Personal Auto Insurance Rating Plan

If you are approved for coverage from an insurance company, some of the rating factors that will influence your premium rate are the driving record of individuals in the household where you reside; how you use your vehicle (for pleasure or traveling to work); make and model of motor vehicles to be insured; where you and other applicants/insureds drive and reside; your gender; your age and most recent prior insurance coverage (whether your coverage was canceled or not renewed). An insurance company may offer you a policy in one of three rating categories:

Preferred	Standard	Nonstandard
<p>This category is intended for drivers who are considered by insurance companies to be the best insureds because they usually are the safest drivers, present the lowest risk factors and are least likely to file a claim.</p> <p>These types of drivers usually have had no moving traffic violations and/or chargeable accidents during the past three to five years. The premium charge for these types of drivers will be the lowest.</p>	<p>This category is for moderate-risk drivers. These drivers are usually driving family-type motor vehicles and have a reasonably clean driving record with no more than one moving traffic violation and no chargeable accidents during the past three to five years.</p> <p>The premium charge for this category of personal automobile insurance will be higher than for the preferred program.</p>	<p>This category is for drivers who insurance companies consider to be high risk.</p> <p>These types of drivers may be younger than 25; have less driving experience; have had moving traffic violations and/or chargeable accidents during the past three to five years; have poor payment history; have had convictions for driving under the influence of alcohol or drugs and/or license suspensions.</p>

The Kansas Department of Insurance and Premiums

The Department ensures that insurance policies are in compliance with Kansas law. The Department does not set or change premiums for policyholders. Rather, insurance companies submit the necessary filings to change premiums, and the Department either files or disapproves the requested rate change. These changes must be justified actuarially and must not violate any provision of Kansas law. For more information, please contact the Department at 785-296-3071.

TERMINATION OF YOUR PERSONAL AUTO POLICY

An insurance company may terminate your coverage under certain circumstances. Coverage may be canceled or nonrenewed. Cancellation means the company terminates your policy before it expires. Nonrenewal means the company chooses not to renew your policy when it expires.

Cancellation

During the first 60 days of coverage under a new policy, the insurance company can cancel your policy for any lawful reason. After 60 days your policy cannot be canceled unless:

- nonpayment of a premium and/or any installment when it is due. There is no grace period.
- A policy is obtained through fraudulent misrepresentation.
- Violation of the terms and conditions of the policy.
- The insured, a family member or a person customarily operating the insured's motor vehicle with permission has:
 - Had his or her driver's license suspended or revoked during a policy period.
 - Is subject to epilepsy or heart attacks and cannot produce a physician certificate indicating the insured's ability to operate a vehicle.
 - Been convicted during the 36 months immediately preceding the effective date of the policy or during the policy period for any of the following: any felony, vehicular homicide, operated a vehicle while intoxicated or under the influence of drugs, left the scene of an accident without reporting the accident, theft of a motor vehicle, made false statements on a driver's license application, or committed three moving violations within an 18-month period.

The company must give at least a minimum of 30 days written notice of the cancellation, except in the case of nonpayment of premium. Any premium refund due at cancellation must accompany the notice or be mailed within 10 days of notice.

Nonrenewal

An insurance company must offer renewal of your personal automobile liability insurance coverages unless one of the following applies:

- The commissioner of insurance requires the company to reduce its number of policies in order to preserve its financial integrity.
- The company no longer does business in Kansas.
- The company shows competent medical evidence that the insured has a physical or mental disability that impairs driving in a safe and reasonable manner.
- The company determines that a substantial change in risk has occurred that was not known at the time the policy was issued or last renewed.

- The policy has been continuously in effect for a period of five years after the first anniversary date.
- Any of the reasons that allow for cancellation.

The company must give at least a minimum of 30 days written notice of non-renewal.

Diminished Value Claims

Diminished value claims are made to address the lowered resale value of a vehicle after having been involved in an accident and repaired.

In most cases, this type of claim is excluded under first-party coverage by policy language, meaning you cannot make this claim against your own policy.

If another party is liable for your damages, you could present a claim under that party's policy. There is no statutory requirement in Kansas for the payment of a diminished value claim, and there is no set formula for determining the amount on a diminished value claim. If you are making this type of claim you will need to be able to support and document the amount you are claiming. Evaluations of the lowered value can vary greatly.

OTHER COVERAGE OPTIONS

There may be some Kansans who are unable to acquire auto coverage in certain instances. Two statutorily-created organizations exist to assist those individuals with coverage options.

Kansas Automobile Insurance Plan (KAIP)

KAIP is a Kansas program with the purpose of providing automobile insurance to applicants who are otherwise unable to find coverage in good faith. If at least three companies have rejected you for personal auto insurance, you can purchase coverage through KAIP, which provides basic liability coverage required by law along with optional physical damage coverages such as comprehensive and collision.

Contact:
(888) 706-6100
ksaip@aipso.com
www.aipso.com/Plan-Sites/Kansas

Kansas Automobile Assigned Claims Plan (KAACP)

Kansas residents who do not own a car or motorcycle can still access personal injury protection (PIP) coverage through the KAACP. This plan provides statutory PIP benefits to any person who suffers injury in Kansas provided other PIP benefits are not available to the injured person.

Contact:
(888) 706-6100
KSAssignedClaims@aipso.com
www.aipso.com/Plan-Sites/Kansas-Automobile-Assigned-Claims-Plan

Effective January 1, 2024, KAIP and KAACP have permanently closed their Topeka, Kansas office. Additionally, management of the plans has been transferred to AIPSO, a national, not-for-profit corporation formed by the insurance industry to provide services to automobile insurance residual markets throughout the country. Mailing Address: P.O. Box 6530, Providence, RI 02940

HOW DO CLAIMS WORK?

After an accident, file a claim by notifying your agent or company as soon as possible and follow up online or in writing if you report by telephone. Always cooperate with the insurance company and respond timely to their requests. If you feel the other party is responsible for damages, contact their insurance company or agent to file a claim.

If you suffer injuries and are a titled owner of an insured motor vehicle, notify your insurance company. PIP/Kansas no-fault benefits will be the first to cover medical expenses.

1.



COMPANY HAS 30 DAYS FROM NOTIFICATION TO COMPLETE LIABILITY INVESTIGATION.

AFTER INVESTIGATION, IF CLAIM IS NOT DENIED, ONE OF TWO OUTCOMES IS COMMON FOR VEHICLE SETTLEMENT.



2.

A.

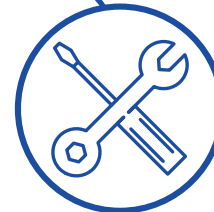


VEHICLE IS DECLARED TOTALED

- Car is 7 years old or newer AND damage meets or exceeds 75% retail value - must be declared total loss.
- Older than 7 years varies by company.
- When determining retail value or actual cash value, company may reference online valuations.
- "Total Loss" varies depending on your policy. Review your policy to fully understand what is covered.

VEHICLE WILL BE REPAIRED

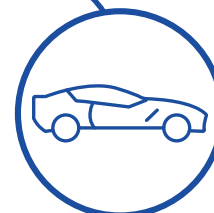
- Company does not have to settle claim based on highest estimate of repair. If company believes the estimates are too high, it has the right to check with other repair facilities.
- Company's offer needs to cover the actual repair costs to restore vehicle to pre-loss condition.
- Company can repair with after-market parts. May also repair with used or salvage parts provided parts are of like kind and quality.



B.

VEHICLE IS REPAIRED

- Claim settlement check is issued in your name.
- A check issued to the repair shop only if you provide authorization for shop's name to also appear on check.



FILING A CONSUMER COMPLAINT WITH THE KANSAS DEPARTMENT OF INSURANCE

The Kansas Department of Insurance has several consumer assistance representatives to assist policyholders with questions and concerns about their policies. If you are confused by your policy or need assistance with filing an insurance claim, please contact the Department.

There may be an instance where you have tried unsuccessfully to resolve an insurance claim dispute with your insurance company or agent. If this is the case, filing a consumer complaint with the Department is an option you may explore. The complaints process is as follows:

Contact the Kansas Department of Insurance. A consumer assistance representative will evaluate the issue at hand. You will be asked to submit a complaint online. Alternatively you can complete the complaint form digitally at insurance.kansas.gov/complaint.

The Department will conduct a review of your complaint and will contact the appropriate parties. You will receive an acknowledgment from the Department.

After review, if a Kansas insurance law has been violated, the Department will request corrective action. Your insurer may be asked to complete a more thorough investigation. If no violation of Kansas insurance law is found, the Department will explain why and the investigation will be closed.

FOR MORE INFO, VISIT

insurance.kansas.gov/auto-insurance





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