



# Know Your Insurance

## To Bundle, or Not to Bundle

If you've ever shopped around for insurance, you've likely been asked if you want to bundle your policies—in other words, combine your home or renters, auto and life insurance policies with the same carrier. Although you have the option to shop around individually for each policy, it almost always makes sense to have the same carrier cover as many of your policies as possible.

### Benefits of Bundling

- **The discount**—Most policyholders bundle their policies because of the promise of a discount. The amount varies by provider but can generally range between 5%-25%.
- **The option of a single deductible**—With bundled policies, your deductible may be cheaper in the event of a claim that affects multiple policies. For example, if your home and auto policies are with two separate carriers, and a hailstorm damages your home and your car, you're responsible for paying both your home and auto deductibles before receiving payment. But if you bundle your policies, your provider may offer you the option to pay only the higher of the two deductibles.
- **Less chance of being dropped**—If you've made claims or gotten tickets, having your policies bundled with one provider can decrease the chance of them dropping you.

### When it Doesn't Pay to Bundle

It isn't always better to bundle your policies with one insurance carrier. Here's when it may be better to split them up:

- **If you have tickets or past claims that make your auto insurance expensive**—In this case, it may be cheaper overall to buy each policy from separate providers.
- **When premiums increase**—Bundling discourages people from price shopping, which makes it easier for providers to increase their rates. Most assume that you won't go through the effort of shopping around when your policies renew.
- **If policies aren't technically bundled**—Some carriers may insure you with an affiliated company. Although you may get a discount with that company, you'll lose the convenience of paying your premium with one familiar provider.

### A Few Tips to Consider

Although discounts are the main reason people bundle their insurance policies, never assume that bundling is the cheapest option. Your needs and circumstances will dictate whether you should combine your policies with one carrier. Consider the following tips:

- Shop for new coverage when your policies renew, and ask for the price of the individual premiums as well as the price of the bundled premium so you can decide whether it is worth it. Just make sure you compare the same coverage when shopping for quotes from each carrier.
- Ask if the provider uses a third-party insurance company. Remember that you may save money but lose the convenience of dealing with one provider and a combined bill.
- Ask an independent insurance agent to get prices from multiple companies so you don't have to do the legwork. An agent that is loyal to a particular carrier may be able to offer discounts that you can't get alone.

With multiple factors contributing to the price of your insurance premiums, it is important to shop around in order to get the best rate for your insurance needs. Feel free to contact Winters-Oliver Insurance Agency to determine if bundling is right for you and help you take advantage of all available discounts.