

COMPARE: Car Insurance Comparison Shopping

Congratulations, you have just purchased a used 2016 Honda Civic! Now you need to get car insurance and it's time to look at all of your options. We are going to look at 6 of the main types of auto insurance coverages.

Let's say that you...

- Are 20 years old
- Are driving a 2016 Honda Civic
- Are commuting to work / school five days per week (20 miles each way)
- Expect to drive about 12,000 miles per year

Part I: Required Coverage

- ☐ Refer to this [NerdWallet article](#) for minimum requirements for **your** specific state.
 - ☐ Then, compare the prices across each types of coverage offered by your insurance company to help you decide which types to purchase
1. Review the table below. Highlight or circle the option for Bodily Injury coverage you would purchase. In the box below, explain why you chose your selection.

1. Bodily Injury			
• Helps you pay for <i>another person's physical injuries</i> in a car accident when you are at fault • No deductible, just pay your premium, and you are covered up to the limit			
	<i>Basic</i>	<i>Moderate</i>	<i>Enhanced</i>
Coverage Limit - Per person / per occurrence	\$20,000 / \$40,000	\$50,000 / \$100,000	\$100,000 / \$300,000
Premium	\$25	\$60	\$85

2. Review the table below. Highlight or circle the option for Property Damage coverage you would purchase. In the box below, explain why you chose your selection.

2. Property Damage			
- Helps you pay for <i>another person's property</i> (car, house, fence, mailbox, etc) in a car accident when you are at fault - No deductible, just pay your premium, and you are covered up to the limit			
	<i>Basic</i>	<i>Moderate</i>	<i>Enhanced</i>
Coverage Limit	\$15,000	\$25,000	\$50,000
Premium	\$20	\$45	\$60

3. Review the table below. Highlight or circle the option for Collision coverage you would purchase. In the box below, explain why you chose your selection.

3. Collision			
Covers damages to <i>your car</i> if you collide with another car or item (tree, building, etc)			
	<i>Basic</i>	<i>Moderate</i>	<i>Enhanced</i>
Deductible	\$1,000	\$500	\$150
Coverage Limit	\$10,000	\$10,000	\$10,000
Premium	\$20	\$30	\$40

4. Review the table below. Highlight or circle the option for Comprehensive coverage you would purchase. In the box below, explain why you chose your selection.

4. Comprehensive			
Covers damages to <i>your car</i> caused by something other than a collision (theft, fire, etc)			
	<i>Basic</i>	<i>Moderate</i>	<i>Enhanced</i>
Deductible	\$5,000	\$1,000	\$100
Coverage Limit	\$10,000	\$10,000	\$10,000
Premium	\$10	\$25	\$40

5. Review the table below. Highlight or circle the option for Uninsured / Underinsured coverage you would purchase. In the box below, explain why you chose your selection.

5. Uninsured / Underinsured			
Covers repairs and other expenses to your car if <i>another driver with not enough insurance</i> injures you or someone you are riding with			
	<i>Basic</i>	<i>Moderate</i>	<i>Enhanced</i>
Coverage Limit - Per person / per occurrence	\$15,000 / \$30,000	\$50,000 / \$100,000	\$100,000 / \$300,000
Premium	\$30	\$45	\$60

6. Review the table below. Highlight or circle the option for Medical or Personal Injury Protection coverage you would purchase. In the box below, explain why you chose your selection.

6. Medical or Personal Injury Protection			
Can help cover some of <i>your medical costs</i> in a car accident			
	<i>Basic</i>	<i>Moderate</i>	<i>Enhanced</i>
Coverage Limit	\$5,000	\$10,000	\$25,000
Premium	\$10	\$25	\$70

7. Add up the prices of these premiums. What is your total monthly premium payment to the insurance company?

Part II: Your Insurance Coverage in Action

Using the coverage selections from above, answer the questions on how your insurance would cover the following scenarios.

8. You swerve into the next lane and scratch another person's car. The total damages are \$1,500. According to the insurance coverage you chose, how much will insurance pay for and how much will you pay for?
9. The cost to repair your windshield after a hailstorm is \$200. According to the insurance coverage you chose, how much would you have to pay for the repair?

10. There is one person who was injured in an accident that you were responsible for. The total cost was \$25,000. According to the insurance coverage you chose, how much will insurance pay for and how much will you pay for?

Part III: Reflection

11. Are you happy with the coverages you chose? Explain why or why not.

12. Which matters more to you: having a high level of coverage or paying a little as possible in monthly premiums? Why?