

Colorado law change

This year, Colorado law changed from a no-fault to a tort insurance system. Previously no-fault insurance, which included the medical benefit known as PIP (Personal Injury Protection), provided coverage for certain medical and rehabilitation expenses from injuries sustained in an automobile accident. PIP paid benefits for injuries whether or not the insured person was negligent or “at-fault”.

Now under the tort system, determination of fault in an automobile accident must be made and the party at fault or their insurance company pays medical and rehabilitation expenses to the injured party, as well as property damage. An injured party may also sue for other losses including lost wages and pain and suffering.

About this guide

To use this guide effectively you need to choose which of the four drivers (driver A, B, C or D) most closely compares to you and then determine the category that reflects your experience as a driver. Preferred programs are for drivers with the best driving records, standard programs are for drivers with average driving records and non-standard programs are for drivers with poor driving records.

The premiums quoted in this guide were drawn from a survey of 2003 premiums and are based on a 4-door sedan, 2002 Ford Taurus LX. All premiums in this guide are for a coverage period of six months and reflect a comprehensive deductible of \$250 and collision deductible of \$250 unless otherwise noted.

Coverage limits for the vehicle are the minimum required by law, unless otherwise noted. Read the explanations below for a careful examination of these minimum coverages. The Division does not recommend the purchase of only statutory minimums of insurance. Each individual and family must determine the appropriate amount of insurance to purchase.

What are the minimum coverages required by law?

Colorado law mandates that automobile insurance policies sold in the state provide:

- liability insurance and
- uninsured/underinsured motorist coverage. This can be waived only if it has been rejected in writing by the insured. The definitions below provide more detail on each type of insurance required by Colorado statutes.

Liability

Liability insurance is generally defined as coverage for bodily injury you cause to another person or for property damage you cause to another’s property through negligent operation of your vehicle. Liability insurance also affords coverage if the accident was caused by a member of your household driving your vehicle or by a person using your vehicle with your consent. The minimum amount of liability insurance required by Colorado law is as follows:

- \$25,000 per person for bodily injury;
- \$50,000 per accident for bodily injury;
- \$15,000 per accident for property damage.

Uninsured/Underinsured Motorist

The “uninsured motorist” portion of this coverage is for your bodily injury losses caused by a hit-and-run driver or a driver who has no automobile liability insurance. This coverage takes the place of insurance the other driver should have purchased.

The “underinsured motorist” portion of this coverage is for bodily injury losses which you are legally entitled to collect from the owner or driver of an underinsured vehicle. An underinsured vehicle is a vehicle that is insured, but the bodily injury liability limits (see Liability) of that vehicle’s policy are less than the limits of your uninsured/underinsured motorist coverage. The minimum amount of uninsured/underinsured motorist coverage, unless waived by the policyholder, is as follows:

- \$25,000 per person for uninsured/underinsured motorist;
- \$50,000 per accident for uninsured/underinsured motorist.

What are optional coverages?

In Colorado you can purchase several types of optional coverage to add to your personal auto policy. For example:

- Uninsured Motorist Property Damage
- Medical Payments
- Comprehensive and collision
- Rental reimbursement
- Towing and Labor

Uninsured Motorist Property Damage

This is an optional coverage you can request if you do not have collision coverage on your vehicle. Uninsured Motorist Property Damage (UMPD) pays for damages to your vehicle caused by an at-fault owner of an uninsured motor vehicle. UMPD will not pay if the vehicles did not touch.

Medical Payments (Med Pay)

Med Pay pays for reasonable medical expenses you and your passengers incur because of injury in an automobile accident, regardless of fault. If you purchase this optional coverage, there are different levels of limits available. Check your health insurance policy or contract to see if automobile accidents are covered. If you are a labor union member or covered under a self-insured plan, your contract may specifically exclude benefits related to an automobile accident up to a certain dollar amount. If you are covered under these plans, consult your benefits manager or certificate of coverage to determine what coverage you have.

Comprehensive and collision insurance

Comprehensive insurance protects you against damage to your own car from such perils as fire, theft, glass damage, hail, windstorm, flood, vandalism and other causes. Collision insurance pays for damages to your car when caused by collision with another vehicle or object. Collision insurance is typically purchased for late model vehicles and is often required by lenders as a condition to financing the vehicle.

Rental Reimbursement

This coverage pays expenses incurred for renting a car when your auto is rendered inoperative due to a covered loss.

Towing and Labor

This covers some costs incurred for services rendered at the place of breakdown or for towing to a repair shop. It may cover tire changes and assisting you with unlocking your doors if you locked the keys in your automobile.

Contact your insurance company or agent for additional options that may be available to you. Some coverages vary or may not be offered.

Tips for lowering your premium

- ☑ Shop around using the information in this guide.
- ☑ Maintain a good driving record.
- ☑ Take the highest deductible you can afford on your comprehensive and collision coverage.
- ☑ Before buying a vehicle, determine the cost of insuring it.
- ☑ Ask your company or agent if you are eligible to reduce your premiums through discounts or by choosing optional coverages or benefits. Discounts may also be available, such as good student, driver training, multiple cars or multiple policies, compact car, anti-theft, air bags, and pleasure-use only.

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Auto Insurance Premium Comparison

A SURVEY OF PRIVATE
PASSENGER AUTOMOBILE
INSURANCE COSTS IN COLORADO



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Private Passenger Automobile Insurance 2003 Premium Comparison (Premiums for six months coverage on a 2002 Ford Taurus LX 4-door sedan)		Driver A 21-yr old male, single, principal operator, drives less than 10 miles to work each way, no accidents or traffic convictions in three years.					Driver B 21-yr old female, single, principal operator, drives less than 10 miles to work each way, no accidents or traffic convictions in three years.					Driver C 35-yr old male, married, principal operator, drives less than 15 miles to work each way, no accidents or traffic convictions in three years.					Driver D 68-yr old female, married, pleasure use only, annual mileage less than 7,500 miles, no accidents or traffic convictions in three years.					
		Mkt Share ¹		Grand	Ft.		Grand	Ft.		Grand	Ft.		Grand	Ft.		Grand	Ft.					
Company			Denver	Littleton	Pueblo	Juntion	Collins	Denver	Littleton	Pueblo	Junction	Collins	Denver	Littleton	Pueblo	Junction	Collins	Denver	Littleton	Pueblo	Juntion	Collins
Preferred Program																						
AIU Ins Co	0.59%	1,283	1,073	1,237	1,000	953	1,041	875	1,010	816	780	722	611	706	558	541	567	478	553	435	422	
Allied Prop & Casualty Ins Co	0.20%	1319	1112	1751	1006	956	969	817	1281	735	703	565	478	742	430	411	409	347	534	311	299	
Amco Ins Co	0.24%	1,382	1,163	1,835	1,055	1,002	1,015	854	1,343	770	737	591	500	777	450	431	429	363	559	326	314	
American Family Mutual Ins Co	7.62%	1,885	1,169	1,377	953	1,137	1,311	814	957	664	791	902	560	658	458	545	666	413	485	338	402	
American National P & C Co ²	0.92%	1,356	1,186	1,007	914	960	1,330	1,161	988	895	941	880	746	671	564	606	668	550	522	410	450	
Amica Mutual Ins Co	0.47%	1,196	999	1,028	998	840	1,001	835	860	835	705	563	473	486	472	401	518	436	448	434	370	
California Casualty Indemnity Exchange	0.35%	1,195	936	1,039	817	816	853	669	742	583	582	573	451	500	392	391	434	343	380	298	297	
Colorado Farm Bureau Mutual Ins Co	0.99%	1,396	988	1,194	883	880	1,273	902	1,089	805	804	875	618	747	555	552	802	567	684	508	506	
Country Mutual Ins Co	0.73%	1,309	959	1,084	906	792	1,109	813	919	767	671	804	590	666	556	487	743	546	616	514	450	
Farmers Insurance Exchange ^{3(b)}	11.04%	2,050	1,477	1,381	1,300	1,181	1,891	1,350	1,267	1,184	1,081	877	624	586	559	502	659	468	441	423	378	
Government Employees Ins Co	0.73%	1,313	946	1,100	941	891	949	680	785	669	640	624	451	521	446	446	431	313	361	309	295	
National Farmers Union P & C Co	0.51%	1,673	1,284	1,477	1,182	1,200	1,341	1,030	1,184	948	963	887	681	783	627	637	721	554	637	510	518	
Progressive Halcyon Ins Co	0.56%	1,416	925	1,200	883	879	1,057	703	908	664	666	626	426	543	402	405	618	430	541	403	408	
Shelter Mutual Ins Co	0.19%	999	731	830	665	636	729	535	606	486	466	532	391	443	356	341	392	289	327	263	252	
State Farm Mutual Auto Ins Co ⁵	21.86%	1,234	965	1,091	843	889	992	776	877	677	714	733	574	648	500	527	531	417	470	362	382	
United Services Automobile Assoc ⁴	3.47%	1,087	897	930	757	757	840	694	720	588	588	543	452	468	386	385	434	363	376	311	311	
USAA Casualty Ins Co ⁴	2.76%	1,125	928	965	783	783	867	718	746	607	607	516	431	447	368	368	413	347	359	298	298	
Median Premium		1,313	988	1,100	914	889	1,015	814	919	735	705	626	500	648	458	446	531	417	485	362	378	
Standard Program																						
Allstate P & C Ins Co	0.74%	935	900	1010	847	742	734	703	791	656	579	502	474	541	441	390	395	368	421	341	303	
Geico Indemnity Company	0.55%	1972	1404	1618	1395	1331	1434	1032	1192	1023	971	933	675	780	669	634	928	672	776	666	631	
Liberty Mutual Fire Ins Co	1.03%	1710	1365	1508	1254	1233	1283	1025	1130	941	925	823	658	724	603	593	697	558	613	511	502	
Mid-Century Ins Co ^{3(a)}	3.64%	2135	1588	1459	1382	1316	2203	1579	1479	1372	1319	1258	901	842	789	754	1087	779	729	681	652	
Progressive Halcyon Ins Co	0.33%	1592	1041	1351	997	992	1191	794	1024	751	754	765	520	663	492	496	732	510	640	481	486	
Shelter Mutual Ins Co	0.64%	1454	1067	1211	974	926	1061	780	885	712	678	774	570	646	521	496	570	421	476	385	367	
State Farm Fire & Casualty Co	1.74%	1347	1056	1191	921	970	1083	849	958	740	779	800	628	708	546	575	579	456	513	395	416	
Median Premium		1,592	1,067	1,351	997	992	1,191	849	1,024	751	779	800	628	708	546	575	697	510	613	481	486	
Non-Standard Program																						
Allstate Indemnity Co	0.50%	1096	1092	1096	1003	922	807	804	808	730	678	615	612	615	556	517	637	635	639	570	534	
American Bankers Ins Co Of FL	0.37%	1809	1273	1527	1183	1189	1487	1045	1254	971	977	1051	738	886	686	691	1036	728	874	677	680	
American Standard Ins Co Of WI	3.00%	3033	1889	2209	1532	1828	2110	1315	1536	1067	1273	1452	906	1057	737	877	1072	669	780	545	648	
Financial Indemnity Co	0.73%	2313	1375	1901	1362	1310	1874	1111	1543	1099	1059	1269	750	1046	735	712	1363	812	1137	782	760	
Geico Casualty Co	0.72%	2143	1541	1769	1531	1447	1655	1199	1378	1187	1120	1221	891	1026	890	834	1182	863	993	859	806	
Mendota Ins Co	0.80%	2899	1882	2078	1880	1884	2223	1444	1598	1441	1413	1556	1016	1125	1014	992	1461	952	1056	948	928	
Titan Indemnity Co	0.69%	3394	2322	2736	2100	2160	2769	1865	2219	1685	1726	1964	1317	1566	1187	1211	1881	1233	1491	1112	1130	
Median Premium		2,313	1,541	1,901	1,531	1,447	1,874	1,199	1,536	1,099	1,120	1,269	891	1,046	737	834	1,182	812	993	782	760	

Notes:

(1) Market share figures are the individual company's preferred, standard and non-standard programs written premium divided by the total direct written premium for all Colorado companies writing private passenger auto.

(2) \$200 deductible used. Also, single car class factors were used for drivers A and B and multi-car class factors for drivers C and D.

(3)(a) Drivers A, B, C & D were quoted with a \$200 Comprehensive deductible. (b) Drivers A & B were quoted with a \$200 Comprehensive deductible. Drivers C & D were quoted with 30/60 BI/PD and UM, \$240 Comprehensive and Collision deductible due to minimum requirements.

(4) United Services Auto Assoc and USAA Casualty Ins Co coverage are generally available only to current, retired and former US military personnel and their dependents

(5) New Business Discount applied.