Insights and Updates

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[Spring 2011 • New York]

Violating New York's cell phone law now puts points on your license

Since New York's cell phone ban was signed into law in 2001, more than 300,000 tickets have been issued each year for using a cell phone while driving. In February this year, the New York State Department of Motor Vehicles began imposing two points for the violation of using a cell phone while driving. Accumulating points on your license ultimately can result in license suspension or revocation under the state's persistent violator rules.

You may wonder if getting points on your license will affect your insurance premiums—it could! Insurance carriers may use these points as underwriting criteria. However, this is determined by each carrier in conjunction with other variables. Some carriers may already be use cell-phone violations (not points) as underwriting criteria, so the rule change may not have a direct effect on your premiums at all.

More importantly, driver distraction is a factor in more than 20 percent of all car crashes in New York state. In 2009, nearly 5,500 people died nationwide in accidents involving a distracted or inattentive driver. For your own safety, and that of others on the road, we urge you not to use a hand-held device while driving.

But if you do receive a cell-phone violation, call our office immediately. We can help you find out how it will affect your premium.

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'Move over' law took effect Jan. 1

Beginning Jan. 1, 2011, drivers in New York have to move over and slow down when they see emergency vehicles with flashing lights stopped on the road. The Ambrose-Searles Move Over Act is designed to keep emergency workers safe on highways and roads statewide.

Under this law, motorists now are required to move over and slow down to avoid colliding with an emergency vehicle, that is parked, stopped or standing on the shoulder of the road with its emergency lights on. Anyone who violates this law could be fined up to $275 and have two points added to their drivers license.

The new law is named after Trooper Robert W. Ambrose and Onondaga County Sheriff Deputy Glenn M. Searles, who were both killed in the line of duty while their patrol cars were stopped on the side of the road.

This past winter's weather is still causing a flood of concerns

People in high-risk flood areas are not the only ones who need flood insurance. In fact, approximately 25 percent of all flood insurance claims come from areas that are not considered high risk. Winter run-off, heavy rains and water backup from overlooked drainage systems can cause thousands of dollars in damages to homes. Flooding can happen any place at any time.

Unfortunately, too many people find out too late that flood damage is not typically covered by homeowners insurance. Only a flood insurance policy will protect homeowners from costly flood damage. And, a 30-day waiting period exists between the time the flood insurance is purchased and the time the coverage goes into effect. Waiting until the next storm warning to purchase flood insurance is dangerous, since coverage probably will not begin in time.

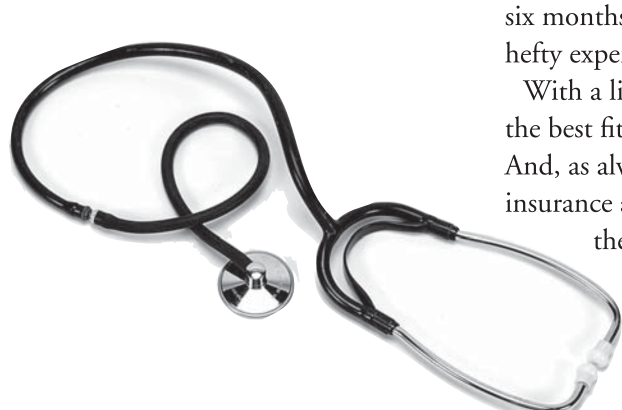
The National Flood Insurance Program offers flood insurance at federally subsidized, premium rates, which we may be able to help you purchase. Contact our agency to get the coverage you need to protect your family from the devastation flooding can cause.

College graduates: Keep yourself covered

Young adults must make a number of adjustments when they graduate from college and enter "the real world." One of the more abrupt changes concerns health insurance coverage. It's not easy to land a job with full health benefits straight out of college, so contingency plans are often neccessary.

A common justification from young people for going without coverage is that youth is on their side. Contrary to that popular misconception, the U.S. Department of Health and Human Services says "one-in-six young adults has a chronic illness like cancer, diabetes or asthma. Nearly half of uninsured young adults report problems paying medical bills." In addition, more and more people rely on prescription drugs to stay healthy. And, there's always the risk of an accident—anything from a car crash to a simple slip and fall can result in serious medical problems.

Many graduates take health coverage for granted, since they've always been included on their parents' policies. However, some insurance companies will not allow parents to include their grown children on their policies if they are no longer students. Other insurers tie termination to when the child turns a specific age. Parents should check their policies to see which is the case. Some states have laws preventing insurers from dropping grown children younger than a certain age from their parents' coverage.



Some policies contain a loophole for "students." If a dependent child can be classified as a full-time student, he or she can still receive coverage on their parents policy. So, if the graduate is planning to begin a graduate. program, coverage sometimes can be retained.

Another way for recent graduates to ensure continued coverage is by signing up for Consolidated Omnibus Budget Reconciliation Act benefits. The COBRA law allows graduates to continue their existing health coverage for up to 36 months. More information can be found on the COBRA website: www.dol.gov/dol/topic/health-plans/cobra.htm.

Student health insurance is another option available to most full-time students. This type of coverage may continue after graduation, but often the policy must be written within a certain period before commencement.

Short-term health insurance also may be available as well. This temporary coverage can provide a safety net to those who need to span a short period. Neither student nor short-term coverage is ideal. There are gaps in coverage, and with short-term coverage if an accident renders you in need of ongoing care, the policy can expire after six months or a year, leaving you with hefty expenses.

With a little research you can find the best fit for you and your family. And, as always, as your independent insurance agent we will help you along the way. Call us with any questions or concerns.

Car + teenager = (expensive) trouble

Statistically speaking.

Driving is one of society's more dangerous activities no matter who is behind the wheel. But, according to an Autos.com interpretation of Census data, "[f]or every mile driven, teens between the ages of 16 and 19 are four times as likely to be involved in a car crash." It's no wonder that car insurance premiums are so high for this age group. But, parents can take comfort knowing there are some steps you can take to lower your sons or daughter's risk and his or her insurance premiums:

- Learn the law and help your teens do the same. A driver who adheres to the rules of the road is a safer driver. Part of helping your teen learn is setting a good example. Obey the speed limit. Don't tailgate. Stay calm behind the wheel. Your example will make it easier to convince your children to become safe drivers.
- Keep the grades up. Some insurers have made the connection between good grades and a more responsible young adult. Many offer a discount—sometimes as high as 25 percent—for students who maintain a B average or higher.
- Educated drivers are safer drivers. Insurers recognize this truth with discounts for driver-education courses. Call us to find out which classes are covered before making a deposit.
- A sports car makes an excellent midlife-crisis mobile. It's absolutely the wrong vehicle for a teen. Plus, sports car = higher insurance rates.
- Keep a close watch. Don't allow your teen to drive his or her friends around unless you or another responsible adult goes along for the ride.
- Keep night-time driving to a minimum. People who drive at night are exposed to a greater risk of accidents.

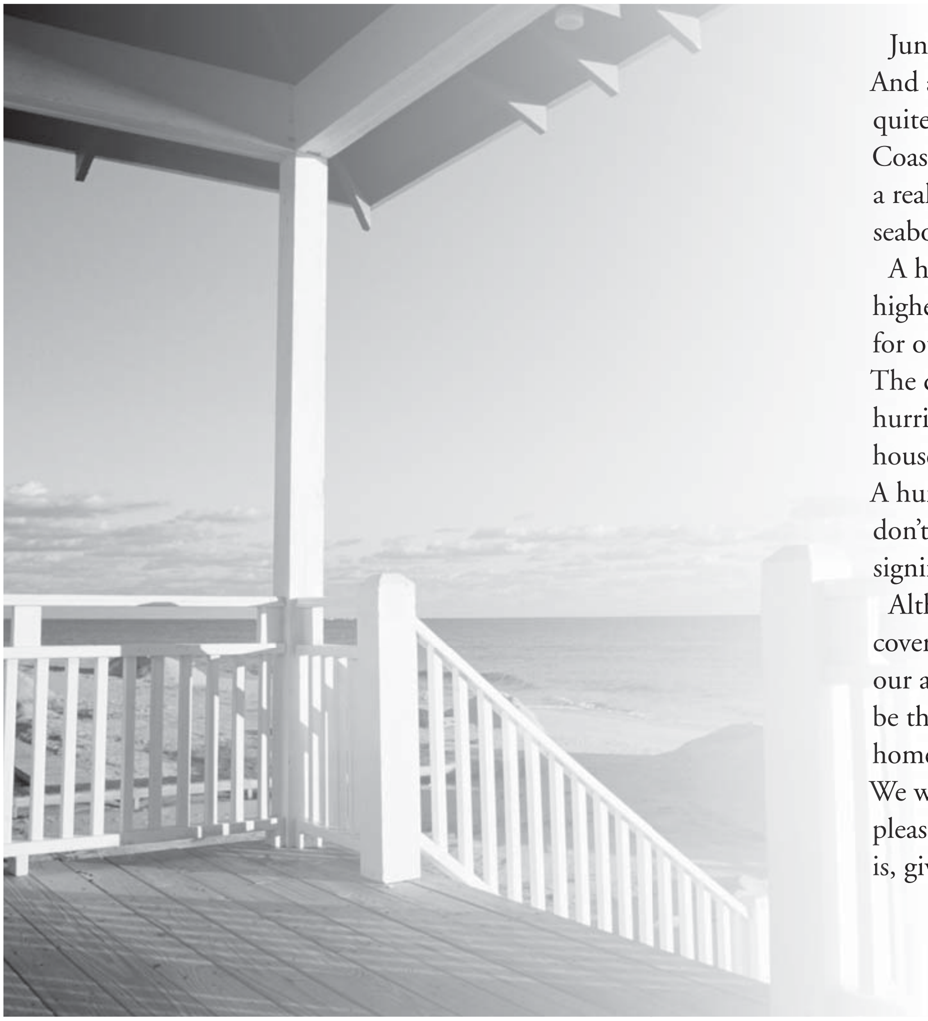
"...for every mile driven, teens between the ages of 16 and 19 are four times as likely to be involved in a car crash."
-Autos.com

If you're just trying to find the lowest rate you can try these:

- Get them on your policy. If your son or daughter drives a family car, he or she can be added to your policy. In fact, some companies will insure young drivers only on a family policy.
- Make an older car your teen's vehicle. Old cars—we're not talking classics here—usually do not need collision and comprehensive coverage. Drop these.
- Raise your deductible. If you have sufficient cash in case of an accident, a higher deductible will reduce your premium cost.

Regardless of which strategies you pursue to reduce risk and control costs, give us a call, as you put your teen on the road. We can help you sort through your options, as well as discuss the ramifications of these tactics, as you get your child driving safety—at a price you can afford.

Windstorm reminder



June 1 through Nov. 30 is hurricane season. And although the Northeast may not be quite the hurricane mecca that the Gulf Coast is, hurricanes and windstorms still are a real threat to homeowners along the eastern seaboard.

A home near the coast typically has a higher deductible for windstorm loss than for other causes of loss such as fire or theft. The deductible applies to each windstorm or hurricane that causes damage. And, inland households are not immune to the risk either. A hurricane can have a long reach—and don't forget, even a thunderstorm can cause significant wind damage.

Although damage from windstorms is covered by all standard homeowners policies, our agency doesn't want a windstorm to be the moment you decide to check your homeowners policy. We would rather you knew in advance. So, please, if you aren't sure what your deductible is, give us a call.

News from our agency

Tips for keeping your homeowners insurance down

People always are looking for ways to cut expenses, especially in today's economy. Following are a few suggestions for consumers to save on their homeowners premiums.

- Re-evaluate coverage amounts. Many policies have inflation protection that increase coverage amounts automatically. This was needed in the years leading up to the crash, but today it should be looked at more closely.
- Small claims can become expensive. Homeowners should have the highest deductible they can comfortably afford and repair minor items out-of-pocket, rather than filing a claim. Filing a claim for every broken window can increase premiums 10 percent or more.
- Check your credit report. Insurance companies check credit history before figuring rates. This is done to help them assess the payment risk and individual policyholder responsibility.

Finally, give us a call. As a professional independent agency, we have access to several different companies. Let us shop around for you to find the best price for the best coverage to fit your homeowners needs.