

Insurance Tip by John Nix

Geico Motorcycle Insurance

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Saving on Motorcycle Insurance

Choosing and finding a good deal on a motorcycle insurance policy can be a difficult task. Even with today's quick internet quotes, insurance rates for a bike can vary several hundreds of dollars per year.

To make an intelligent financial decision, it is important you understand the basic types of coverage and tips on how you can save money when getting quotes.

Below, are the main types of insurance coverage you should understand:

1. Liability and Property Damage:

In most states liability and property damage insurance is the bare minimum coverage required by state law. Liability motorcycle insurance is sometimes called bodily injury and pays for someone else's injury if the accident is your fault. Property damage pays for you damaging someone else's property during an accident.

There are a couple details you should know about your liability coverage.

First, if you financed your motorcycle you should verify with your lender that your minimum required coverage is liability and property damage. Many lenders require collision comprehensive coverage.

Secondly, when getting a quote you should verify if the liability coverage includes guest passenger liability protection, which will offer a passenger on your bike protection in the event of injury from an accident.

2. Comprehensive and Collision:

Comprehensive coverage protects your motorcycle against fire, theft, flood, vandalism. There is typically a deductible associated with comprehensive coverage. You will discover the higher the deductible the lower the cost of the insurance.

Collision coverage protects your bike from damage in the event you are in an accident. Like comprehensive coverage, collision protection has a deductible that can range from \$50 to \$1000.

One key factor to understand is that comprehensive and collision coverage's generally only replace the cost of factory parts. So if you put a new Yoshimura racing pipe on your Suzuki GSX-R1000, the pipe is normally not covered with standard comprehensive and collision coverage. If you want coverage for custom parts and accessories you should ask your insurance agent about additional coverage or optional equipment coverage.

On some motorcycles such as Sportbikes comprehensive and collision coverage can make your insurance premium skyrocket. As a result, before buying your bike you will almost certainly want to get an insurance quote.

3. Uninsured Motorist:

Uninsured motorist is one of the most important coverage's for motorcycle riders. Uninsured motorist will cover you if you are involved in an accident by a person not carrying liability insurance. It will pay medical bills, loss wages, pain and suffering. Many uninsured motorist policies also cover your property. Thus as you get quotes make sure you find a policy that covers both medical and property damage.

Tips to Save on Motorcycle Insurance

1. Ask For A Higher Deductible

If you are purchasing comprehensive and collision coverage for your motorcycle, you may be shocked how much you will have to spend for your monthly insurance premium. This is especially true for high-end sportbikes and cruisers. The best way to overcome high premiums and lower your monthly premium is to ask for higher deductibles.

Asking for higher deductibles is very helpful if your lender is requiring full-coverage insurance, yet you are having a hard time justifying the insurance. Sometimes asking for a higher deductible can lower your monthly premium by 30%.

2. Take Motorcycle Safety Foundation Course

Sure you may know how to ride, buy by showing your insurance company that you can back it up with a Motorcycle Safety Foundation certificate; you could gain a 10% to 15% discount on your bike insurance. This by far is one of the best ways to save on insurance that most riders never utilize.

3. Take Advantage Of Common Insurance Discounts

- \$500 Deductible
- \$1,000 Deductible
- No Accidents in 3 Years
- No Moving Violations in 3 Years
- Drivers Over 50 Years of Age
- Anti-Theft Device
- Low Annual Mileage
- Anti-Lock Brakes

4. Combine Insurance Coverage

Combining all of your insurance coverage with one company can offer a big boost in savings. So consider moving your car, homeowners or renters insurance all to one company. This can save you over 10% in many cases.

5. Drop Collision and Comprehensive Insurance For Older Motorcycles

You may find it's not a wise financial decision to have collision and comprehensive coverage for older bikes. To make this decision you should determine the used value of your bike compared to the extra cost of comprehensive and collision coverage. You can determine the true used value of your bike by using NADA guide, and remember that used bikes depreciate quickly.

In general, it is always best to shop for motorcycle insurance with a variety of sources. As you are shopping use the above tips to help you save as much money as possible with your policy.

RIDE SAFE, RIDE OFTEN, John