



## Don't Skimp On Insurance During A Recession

Americans everywhere are clipping coupons, searching for freebies, and finding all sorts of creative ways to save money. Saving money is chic; another way to impress the neighbors. But others are making far tougher choices that threaten to cost them far more than they save.

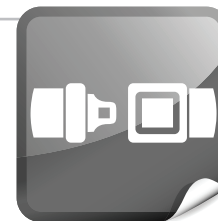
Reducing insurance coverage, whether it's a consumer or a small business making the cuts, does mean instant cost savings. But it's

proving to be problematic for some people, leaving homes and businesses underinsured, and their owners facing huge monetary losses should disaster or illness strike. It's also making families vulnerable to financial hardship because some are giving up their life insurance.

There are certain policies that consumers and businesses absolutely must have — auto insurance, for example, or homeowners insurance for people with mortgages. But many consumers are sliding by without discretionary coverage such as life insurance or even health insurance. Small companies may not be buying enough insurance to cover their losses, or to guarantee they'll stay in business should disaster strike.

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**Did you know?** A Wisconsin man is known as the father of Social Security. Economist Edwin Witte developed the plan for the federal insurance program while serving as executive director of President Franklin D. Roosevelt's Committee on Economic Security in 1934. Witte was born on a farm near Watertown in 1887.



## Seat Belts Save Lives

A large national insurance company found strong statistical evidence that seat belts remain the most important protection for drivers. The company found that when a driver used a seat belt, the odds of a fatality dropped nearly 70 percent compared to a driver who did not.

Several other factors showed significance in decreasing the odds of a driver's death. For example, rear-end collisions proved less deadly than head-on or T-bone collisions. Larger vehicles, such as trucks, SUVs, and vans, appeared to protect the driver better than a typical automobile. Dry roads, in contrast with wet roads, decrease the odds of a fatality by more than 10 percent, suggesting that drivers should use caution when navigating slick roads.



## SERVING YOU FIRST...

### Did you know?

A vast majority of Americans surveyed say they would support legislation restricting cell phone use while driving. Approximately 80 percent of those surveyed in August by Nationwide Insurance say they would favor a ban on texting while driving, while two thirds favor a ban on cell phone calls, and more than half say they would support a ban on cell phone use altogether.



### ^ What This Symbol Means to You

There is a difference in where you buy your insurance. Many don't realize there are three sources for insurance:

#### 1) CAPTIVE AGENTS

who can sell you the insurance of only one company.

#### 2) TELEPHONE & INTERNET REPRESENTATIVES

who can offer you the insurance of one company only on the telephone or via computer.

#### 3) INDEPENDENT INSURANCE AGENTS

like us—who represent many insurance companies. We research these firms to find you the best combination of price, coverage and service for all your insurance needs.

### Summary of Changes to Wisconsin's Automobile Insurance Requirements in the 2009-2011 State Budget

Auto insurance will be required in the state of Wisconsin starting June 1, 2010. While the Department of Transportation and the office of the Commissioner of Insurance have yet to figure out some of the details and some of its fuzziest enforcement aspects, this much seems clear:



- ✓ Wisconsin drivers will be required to carry with them proof — probably a card or letter issued by an insurer — that they have auto insurance starting June 1, 2010.
- ✓ If a driver is stopped on suspicion of a traffic violation, the police officer can ask for proof of insurance. The officer can issue a \$10 ticket to those who have insurance but don't have proof with them. Those who don't have insurance can be fined up to \$500. (One of the still-fuzzy aspects, according to state officials, is how police will discern the difference between a person who doesn't have insurance or simply doesn't have proof).
- ✓ Underinsured motorist coverage, which now is optional, will be required for state drivers on new or renewed policies starting November 1, 2009.
- ✓ Motorists will need to have a policy providing at least \$50,000 in bodily injury coverage for one person, \$100,000 in bodily injury coverage per accident, and \$15,000 to cover property damage. The current limits are \$25,000, \$50,000, and \$10,000, respectively. The higher limits go into effect January 1, 2010.
- ✓ "Stacking" of motor vehicle policies (combining coverage limits for multiple vehicles to determine the limit of insurance coverage available for bodily injury or death suffered by a person in any one accident) to determine liability amounts is now allowed in Wisconsin. Prior to the budget enactment, the stacking of vehicle policies to determine liability limits was not allowed. The budget language limits "stacking" to three vehicles owned by the insured. Please note that there is no guidance on which three vehicle policies can be stacked. This provision also appears to apply to commercial vehicle policies as well.

Finally, the bill prohibits an insurer from placing an insured in a high-risk category because the insured previously had no motor vehicle insurance.