

# 10 Ways to Save Money On Motorcycle Insurance

Article by Larry Lubell



In the 25 years I have been selling for Urban Insurance, I am still amazed by how wide the range of insurance prices can be between one bike and another. What might shock you is that it is the "Style" of the bike that makes a larger difference than the "Cost" of the bike. This is an important fact to consider before coming home with that new "SPORT BIKE."

For most people, a motorcycle is driven only a limited number of days per year; and some people who would by no means drive without car insurance will at times let their motorcycle coverage slip. All of us are looking for ways to save money, but driving without motorcycle insurance is foolish, as well as illegal in Illinois, Michigan, Indiana, and most other states. With the high price of vehicles, ever-increasing medical costs, and new bankruptcy laws that can make it more difficult to eliminate your debts; it is financial suicide to drive without insurance.

No one wants to pay more than they have to in order to get their cycle covered.

**Below are some suggestions to help you lower your insurance costs:**

## 1. Shop Before You Buy the Bike

Insurance companies profoundly surcharge some motorcycles. That means that even though two cycles have around the same value, they might have dramatically different insurance rates. Sport bikes are fast and fun but bikes like the Yamaha YZF's, Kawasaki Ninjas, Honda CBRs, and the Suzuki Hayabusas, can cost more than 4 times the price that a "Standard Cruiser

**Caution:** I have seen the combination of sport bikes and young drivers result in premiums higher than the total cost of the bike. After the bike is yours, it's a bad time to find that the monthly insurance payment is more than your monthly note.

## 2. Shop Several Companies

Remember that prices can vary widely from company to the next. The carrier that offers the lowest rate on a middle-aged married couple might be one of the highest on a 20-year-old male single. Get quotes from different types of insurance companies. Some companies sell direct through a captive agent force. Independent agents, like [Urban Insurance Agency](#) offer policies from several different insurance companies." It is for this reason that [Urban Insurance](#) will shop out a variety of companies looking for the best rate and coverage to meet your needs. We represent more than thirty companies in order to get the best coverage and most competitive rates.

## 3. Decrease Coverage on Lower Value Cycles

If your bike is new, or is being financed, of course it makes sense to purchase "Full Coverage" to protect your investment. However if your bike is no longer a "late model" or does not have a value over \$3,000.00, consider dropping collision and comprehensive coverage. Ask your agent to provide you with a quote both with and without these coverages.

## 4. Move to a Higher Deductible

The deductible is the amount you pay on a claim before the insurance company pays. By requesting higher deductibles, you can lower your insurance costs significantly. This is particularly true for motorcycles. For example, increasing your deductible from \$250 to \$500 could decrease your comprehensive and collision coverage cost by as much as 30 percent. Switching to a \$1,000 deductible can reduce your expense by 40 percent or more. Just remain cognizant that if there is a claim you are going to need to come up with those funds in order to get your bike repaired.

## 5. Exclude a driver

Not all drivers are created equal when it comes to insurance. The rates on teen drivers are much higher than drivers in their 30s or 40s. If you have young drivers in the household that do not drive your bike, you can save a considerable sum by taking them off your policy. **A word of caution:** If you exclude a driver from your policy and they do take your cycle out for a whirl and have an accident; you will not be covered for that loss.

## 6. Part-Time Drivers

Most companies give a discounted rate for a part-time or occasional driver. This is of no use if the part time driver is an older driver, but can make a dramatic difference when the part time driver is a young driver. But remember to ask your agent, and not assume they gave you the discount.

## 7. Check Your Driving Record

This might be “Hard to believe” but people down at the Illinois Secretary of State's office sometimes make mistakes. The same thing holds true for our customers in Indiana, and Michigan I have had clients whose driving record show accidents and tickets that were inaccurate. Such mistakes happen more frequently than many agents or representatives at the DMV are willing to admit. These mistakes can significantly affect the cost of your insurance. Verify your credit record on a from time to time to check for any errors. At [Urban Insurance](#) we work with our customers to remove errors from your MVR reports.

## 8. Maintain a Good Credit Record

It might seem that is no connection between “Good Credit” and low insurance costs, but many insurance companies will now run credit reports each time you apply for a quote on any insurance. Many people would be surprised to learn that a “Bad Credit Score” can raise your insurance rate more than having speeding tickets. Not all companies credit score; always ask the agent if they are going to run your credit. If a representative asks you for your social security number, presume they are planning on running a credit report. Confirm your credit record periodically to check for any errors.

## 9. Remove Guest Passenger Liability

Guest Passenger Liability is coverage that protects you against the passenger on the back of your bike suing you in the event that they are injured in an accident. Again, with younger drivers and sport bikes, the Cost of Guest Passenger Liability can be considerable. Removing this coverage can save up to several hundred dollars. **A word of caution:** If you exclude Guest passenger coverage from your policy, make sure that you do not allow passengers on your bike. Remember if you have an accident; you will not be covered for those damages your passenger suffers.

## 10. Don't Put In the Small Claims

The fact is, insurance works best when it is used for which it was designed - to protect you against significant financial losses. Insurance companies today share loss data through a central network. As a result these losses follow you from one insurer to the next. Companies count “Frequency” as well as total payout; so if you have \$610 in damages and a \$500 deductible It might be prudent to avoid having evidence of a the claim on your record.

