

Car Corner

Three Reasons Not To File A Claim For That Fender Bender

(NAPSA)—Although you'll almost certainly want to have your insurance company cover the cost of a car accident involving multiple cars and serious damage, with plenty of other crashes, you may want to simply cover the cost yourself. Here are some conditions and situations when that option can make sense. The more of these that apply, the more you should consider simply paying the damage yourself.

The Damage Cost Is Close To Your Deductible

Any damage you do to another vehicle is covered under the liability component of your policy, while damage you inflict on your own car will be handled through your collision or comprehensive insurance, assuming you have such coverage (some people drop it for older vehicles).

If you estimate the damage inflicted to your car to be below your deductible, or even slightly above it, you should just handle the repairs out of pocket. If the damages are \$300 but the deductible is \$200, you would save just \$100 by filing a claim and your premiums could easily rise by more than that in the long run.

You Alone Are Involved

In an accident with no more than two drivers, where neither is injured and the damage appears to be minimal, you can both agree to not call the insurance company. There are, however, several reasons to be cautious about doing that.

The first is that the other driver can at any time renege on the agreement to not involve the insurance companies. A second is that even seemingly minor



You don't always need to involve your insurance company after an auto accident.

fender benders involving two cars can be far pricier to fix than most drivers would expect—in the thousands of dollars, for even a slow-speed (say, 10 mph) collision.

The upshot here? Not involving the insurance company is best reserved for mishaps that involved your vehicle alone, or one in which you know, or have other reason to trust, the other driver.

You've Filed For Other Accidents

Going it alone on a minor solo crash can spare you long-term pain. That's because filing too many claims through your insurer can cause your rates to soar, possibly costing you hundreds if not thousands over the years following the claim.

The effect of making a claim varies by the state, the insurer and how long it is since you submitted a claim, if at all. But the hikes can be hefty—20 percent or more, according to research by the finance experts at ValuePenguin.

For more information on auto insurance, as well as other personal finance advice, visit www.ValuePenguin.com.