

# Telematics discount – Is it right for you?

This is an auto insurance discount program offered by the insurance carrier where you plug a device into your car or you register within a mobile application for a period of time, typically 3-6 months, and it tracks your mileage and driving skills. That data is used to generate an additional discount up to 40%.

Telematics is a term that combines the words telecommunications and informatics to broadly describe the integrated use of communications and information technology to transmit, store and receive information from the telecommunication devices.

## Why are carriers offering this?

They are trying to identify and reward safe drivers with the assumption that if the results are positive the element of distracted driving is a reduced exposure. Make no mistake, distracted driving is a major profitability issue and carriers are trying to weed people out who are practicing distracting driving.

## Important points:

- It measures miles driven, hard braking, fast acceleration, night driving (midnight to 5 am) and lane usage.
- You get a 5% discount for just participating in the program.
- The carrier must protect your privacy. They cannot sell or use any information gathered in this program to a third party. (Example: If you drive by a Starbucks every morning you won't get solicitations from Starbucks)
- It can be done on a per vehicle basis. You don't have to enroll all of your vehicles.
- At this moment the results can only lower your auto insurance costs. If the results are poor your rates stay the same and you keep the 5% participation discount. Once your results are set the carrier can't take them away.
- If you know you are a poor driver or you can't be "good" for 3-6 months than don't do this program. 😊
- Pick a 3 month window where you are not driving the vehicle on a long trip.
- If you have a vehicle that has low annual miles you for sure want to enroll that vehicle.

If you have interest and you want to enroll all you have to do is let us know and we will get it done for you. The process is simple.