



Kansas Insurance Department

Sandy Praeger, Commissioner of Insurance

FOR IMMEDIATE RELEASE

Dec. 15, 2009

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Kansas auto insurance rates again among lowest in U.S.

TOPEKA, Kan. — A new report shows Kansas ranks sixth lowest in the nation for average auto insurance expenditures, according to Sandy Praeger, Commissioner of Insurance. This is the fifth consecutive year the state has been ranked as a leader in lower rates.

Information from the National Association of Insurance Commissioners (NAIC) shows Kansans spent an average of \$568 per vehicle for insurance in 2007, the last available reporting period. That figure is down \$11 from the previous survey average a year ago.

“The ranking and the lower cost-per-vehicle figure show that Kansas has a healthy, competitive climate for vehicle insurance buyers,” Commissioner Praeger said. “With more than 160 auto insurance companies vying for customers statewide, the competitive rates are certainly advantageous to Kansas consumers.”

Last year’s report had Kansans spending an average of \$579. All figures are rounded to the nearest dollar.

The ranking assumes all insured vehicles carry liability coverage but not necessarily collision or comprehensive coverage. Consumers in Kansas aren’t required to carry collision and comprehensive, but coverage may be required by a lending institution that carries the vehicle’s loan agreement.

In the latest report, North Dakota is lowest with an average auto insurance expenditure of \$512, followed by Iowa, \$518; South Dakota, \$534; Nebraska, \$554; and Idaho, \$564.

Behind Kansas regionally are Oklahoma, \$646; Missouri, \$658; and Colorado, \$738. The national average is \$795.

The average cost of a policy that contains all three types of coverage (liability, collision, comprehensive) is \$713 in Kansas, according to the report. The state ranks as the 10th-least expensive in the nation in that category.

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The NAIC *2006/2007 Auto Database Report*, which contains the figures listed above, is designed to provide necessary information and analysis for insurance regulators, consumers and policymakers.

Factors that affect state-to-state differences in average expenditures and premiums for automobile insurance include underwriting and loss adjustment expense; types of coverages purchased; driving locations; accidents rates; traffic density; vehicle theft rates; auto repair costs; population density; medical and legal costs; per capita disposable income; liability insurance requirements; and auto laws, such as those concerning seat belts and speed limits.

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The Kansas Insurance Department, established in 1871, assists and educates consumers, regulates and reviews companies and licenses agents selling insurance products in the state. More about the department is online at www.ksinsurance.org.