



Why Your Adult Child / Family Member Needs Their Own Personal Auto Insurance Policy

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After high school or college graduation, many young adults move out of their parents' home and branch out on their own. To help their children in the expensive transition, sometimes parents attempt to keep their adult child on their Personal Auto Insurance policy. However, doing so can create a serious financial risk.

Under our Personal Auto Policy, insured is meant to include a family member. We define family member to mean a person related to you by blood, marriage or adoption who is a resident of your household. This includes a ward or foster child that is duly appointed or established by a court of law. Once your family member moves out, they are no longer a resident of the household and no longer afforded coverage as a family member. There may be certain coverages they are granted as a permissive user or the fact the vehicle is scheduled on the policy, but coverage gaps would exist as a result of no longer being included in the definition of a family member. Some of these gaps could potentially involve damage to a non-owned auto being used by the family member who is no longer a resident of the household; personal injury protection coverage for the family member no longer a resident of the household while they are operating any other auto than a covered auto; uninsured / underinsured coverage for the individual no longer included in the definition of family member.

It is obvious that the family member no longer a resident in the household needs to secure their own policy to avoid these potential, financially disastrous coverage gaps. We would strongly recommend these individuals consult with their Professional Independent Agent who can assist them in writing a policy providing the protection they may need to avoid a financial disaster.

