



Do I need to purchase the insurance from the Rental Car Company?

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Pioneer State Mutual Insurance Company

The summer season is here, meaning families will be packing up and heading out on vacation. One question that commonly comes along with these travels is “does my Pioneer State Mutual Insurance policy cover me if I rent a vehicle?” Unfortunately, this isn’t a simple yes or no answer. Due to the complexity of the issue, there are a few things to consider:

Who is going to drive the vehicle?

If the vehicle is driven by someone other than you (the named insured) or your family members, any damage stemming from an accident would not be covered.

What type of vehicle are you renting?

Rental vehicles must be private passenger autos, pick ups or vans. Exotic vehicles such as Bentleys, Bugattis, Ferraris, Maseratis and Rolls Royces are excluded.

Are you renting a vehicle overseas?

The Personal Auto Policy only covers rented autos in the United States, its territories/possessions and Canada.

What if I’m renting a vehicle for an extended amount of time?

If a vehicle is rented for more than 30 days, Michigan law requires that vehicle to be placed onto a Personal Auto Policy.

What damages are not covered under the standard Pioneer Personal Auto Policy?

The Collision and Other Than Collision (sometimes known as “Comprehensive”) coverage and deductible options that you have on your Personal Auto base policy transfer to the rented vehicle. However, some rental companies charge additional fees when a rented vehicle is damaged. For instance, when a rental car is damaged, it often reduces the vehicle’s market value. So, the rental company may charge the renter not only for the damage of the vehicle, but also for the difference between what the vehicle could have sold for and the new market value cost.

To protect against paying for these additional fees, you should consider purchasing a Loss Damage Waiver from the rental car company. This would cover any additional fees the rental car company may charge that go above and beyond your Personal Auto Policy.

Do you have the Pioneer Advantage?

If you have the Pioneer Advantage Endorsement, the additional fees charged by a rental car company stemming from an accident would be covered by Pioneer State Mutual. (Note: you would still have to pay the deductible that you have on your base Personal Auto Policy, but the remaining fee costs would be covered).

Are there any other options to consider?

Some credit card companies offer limited rental car coverage that goes above and beyond the Pioneer State Mutual Personal Auto Policy. For details, contact your credit card institution.

For more details, check out this [YouTube video](#) from the Insurance Institute of Michigan.

If you have questions about whether or not you should purchase the additional Rental Car Insurance from the rental car company, please speak with your Independent Insurance Agent. He/She is an expert resource who can advise you based upon your specific situation.

