

Paying your insurance bills can be more than just painful, it can also be a hassle. These days more and more people are opting for a monthly bill option on their insurance policies; from home and auto insurance to commercial insurance. But this option is not without its costs and its risks. First of all, in NC, all insurance companies are allowed to charge up to \$3 per installment on each bill they send out. And as a result, almost every insurance company does charge the full \$3 on each installment. If you have several policies that are billed separately on 12 monthly bills, this can add up pretty quickly.

The other problem with monthly bills that few people think about is the risk to you of missing one. If you are out of town, or your mail gets lost, you could forget to pay the bill on time and have a lapse in your coverage. What if you have the worst loss of your life during this lapse time? Think how you would feel if you had paid for your insurance for years and years and then the one time you missed a payment your house burned? That would be tough to digest both financially and emotionally.

There is a solution to this issue that is easy, safe and can save you money. It is the EFT option. EFT stands for electronic funds transfer. This is where the insurance company automatically drafts your checking or savings account each month for the monthly premium due. Insurance companies love EFT because it saves them money on printing, mailing and collecting the monthly bills. Therefore, in almost every case, they waive the \$3.00 per installment service charge. More than that though, this option has other benefits for you. I mentioned the installment fee being waived, in addition you can have the peace of mind of knowing that you don't have to worry about your insurance being cancelled because a bill was lost or mislaid. As long as you keep an adequate balance in your account to cover the monthly bill, it will be paid whether you are at home or on a sunny beach in Tahiti. Either way, you have saved yourself the trouble of keeping up with it, writing the check and having to get it in the mail on time.

One other advantage of the EFT program is that you can pick the day of the month on which the money will be drafted from your account. That means if you are always paid on the 15<sup>th</sup>, you could choose the 16

th

or 17

th

as your draft date. You pick what works best for you. Now the one concern about EFT that I occasionally hear from folks is that they don't want to let an insurance company get their hands on their bank information because they just don't trust them to play fair. In the 15+ years that we have been working with insurance companies and our clients with EFT programs I have

never experienced a situation where someone was ripped off by the insurance company because of this bank account access. Really, my experience in this area says that these fears are not realistic.

If paying by credit card is a good option for you (why not get the airline miles or other rewards if you can?), then you will be glad to know that most of our insurance companies have this option as well. They will simply charge your credit card each month for your monthly bill amount due. And for those of you who prefer to pay your entire year's premium up front, we do have a company that offers a 10% discount on some policies for full payment. If any of these options sound good to you and you would like to stop licking stamps and worrying about missing a bill in the mail, please give us a call today and let us show you the many options you may have and how to take advantage of them.

At Clinard Insurance Group, located in lovely Winston Salem, NC, we want all insurance consumers to be informed purchasers. We work hard to help educate the general public about their insurance options and choices. If we can help you with your auto insurance, homeowners insurance, life insurance or even your business insurance, please call us, toll free, at 877-687-7557 or visit us on the web at [www.ClinardInsurance.com](http://www.ClinardInsurance.com) .