

Personal Lines Department

Rental Reimbursement

How to Explain Any Coverage: Tips & Tricks

- 2 Sentences & A Question: Make it a conversation
- Nana Principle: Use the vocabulary you would use with your Nana (nothing complicated)
- Be Concise: try not to talk in circles
- Tell A Story to Illustrate the Coverage
- Always talk about pricing in monthly amounts
- If someone is not interested ask a few more questions and always document your system

Coverage Explanation

Rental car reimbursement insurance, often referred to as "rental reimbursement" or "transportation expense" coverage, provides financial reimbursement to the policyholder for the cost of renting a vehicle while their vehicle is being repaired due to a covered insurance claim, such as an accident or theft. This coverage typically has a per-day and per-claim limit, for instance, \$30 per day up to \$900 per claim.

How the Policy Helps Clients

The policy assists by ensuring the insured remains mobile and can continue their daily routines, like commuting to work, running errands, or fulfilling family obligations, even when their primary vehicle is unavailable due to a covered claim. This alleviates the financial strain and inconvenience of being without a vehicle.

Example of Claims

Mr. Rodriguez is involved in an accident, and his car needs significant repairs that will take a week. He files an insurance claim, and given the nature of the accident, the repairs are covered. Since he has rental car reimbursement insurance, the insurer also covers the cost of a rental car for him for the duration of the repairs, up to the policy's daily and total limits.

How to Explain It to Clients

Imagine being in an accident and your car needs to be in the shop for repairs for a few days or even weeks. That's not just an inconvenience; it disrupts your daily life. Rental car reimbursement coverage ensures that you'll have a rental car during this time, so your life isn't put on hold, and you won't have to bear the rental costs out of pocket.

Common Objections	
Objection	Response
I don't think I'll ever need a rental car; I have another vehicle.	It's great to have a backup vehicle. However, there could be situations where the second car is in use by another family member or unavailable. Rental reimbursement provides an extra layer of assurance that you'll always have transportation, without any added out-of-pocket costs, when facing unexpected incidents.
Rental cars are not that expensive; I can handle the cost if needed.	While a day or two of rental might be manageable, extended repairs can make costs add up quickly. This coverage is a small addition to your premium but can save you a significant amount in the event of prolonged repairs.
I can use public transportation or rideshares if my car is in the shop.	That's a viable option for some, but those costs can also accumulate over time, potentially exceeding the cost of a rental. Plus, having a rental car provides the convenience of having a vehicle at your disposal anytime you need it, matching the freedom you're used to with your car.