



A consumer information
brochure published by the

New Hampshire Insurance Department

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Frequently Asked Questions

Autos



The New Hampshire Insurance Department makes sure that insurers doing business in the state are financially sound, that insurance is available and appropriately priced, and consumers are treated fairly by doing the following:

- Licensing insurance companies and monitoring their financial stability
- Reviewing insurance forms and premium rates to be sure they comply with state law
- Licensing individual insurance producer/agents and brokers as well as insurance agencies
- Helping consumers with questions and problems
- Ensuring that insurance companies and producer/agents comply with state insurance laws
- Educating the public about insurance
- Advocating reforms that protect the insurance-buying public

MY CAR HAS BEEN TOTALED. THE COMPANY HAS MADE PAYMENT, BUT THE AMOUNT PAID WILL NOT COVER WHAT I STILL OWE THE FINANCIAL INSTITUTION. WHAT SHOULD I DO?

Insurance companies are obligated to pay in accordance with their policy provisions. Most companies usually pay the actual cash value of the vehicle at the time of the loss. This amount does not always cover the loan balance, because you may owe more than the vehicle is actually worth. You would be responsible for paying the difference to the financial institution. Some companies offer an endorsement, for extra premium, which would cover the difference between what the insurance company would pay and the loan payoff amount, subject to certain limitations. You may wish to check with your agent to determine if this coverage is available.

WHEN IS A MOTOR VEHICLE CONSIDERED A TOTAL LOSS?

A vehicle is considered a total loss when it is determined that it would cost more to repair than what the vehicle is worth, per RSA 261:22 VI (a) & (b).

DOES MY AUTO POLICY COVER ME, IF I DRIVE INTO ANOTHER COUNTRY?

Almost all auto policies limit coverage to the United States, its territories or possessions, Puerto Rico and Canada. If you are planning to drive into Mexico, check with your agent in advance. It may be necessary for you to buy a Mexican automobile insurance policy.

MY CAR WAS DAMAGED BY FLOOD WATERS. AM I COVERED?

If you purchased comprehensive coverage under your auto insurance policy, you may have coverage available.

Frequently Asked Questions

CAN A COMPANY REQUIRE ME TO HAVE A CAR REPAIRED AT A SPECIFIC REPAIR SHOP?

No. You may have your vehicle repaired at the shop of your choice.

The company payment for repair cost may be limited to the price available from a recognized, competent and conveniently located independent repair facility that is willing and able to repair your vehicle within a reasonable time. You may be responsible for any difference between the claim payment and the price charged to you by the facility you have chosen. If you choose the repair facility, be sure that your company has come to an agreed price with the repair facility prior to authorizing the repair. Alternatively, you may agree to take the vehicle to a shop that your company has a special agreement with, known as a preferred shop. This preferred shop is authorized by the company to prepare an estimate and complete the repairs.

WHAT HAPPENS IF THE COMPANY ADJUSTER MISSES SOMETHING ON THE REPAIR ESTIMATE/ORDER?

If the repair shop finds additional damage that was overlooked at the time of the original estimate, the repair shop should immediately contact the adjuster. The adjuster would meet with the repair shop to determine whether or not the damage is covered. If it is covered, the company would then issue a supplemental check for this additional cost.

WHAT SHOULD I DO, IF I AM INVOLVED IN AN AUTO ACCIDENT?

- Call for medical help, if needed.
- Call the police and remain at the scene.
- Get the name, address, phone number, driver's license number, license plate number and the name of the insurance company of any individuals involved in the accident.
- Get the names and addresses of any witnesses.
- Write down the details of the accident.
- Notify your agent or company of the accident.

THE COMPANY WANTS TO CHARGE MORE THAN THE AGENT QUOTED. IS THIS LEGAL?

Yes. The premium rate quoted by the agent is an estimate, based on the information available at the time of application. The premium rate, quoted by the company, is calculated in accordance with the rates filed and approved by the Insurance Department. When calculating the premium, the company also considers information from sources - such as motor vehicle records, claim reports, credit reports and driver reports - that were not available to the agent at the time of application.

Frequently Asked Questions

Example: One driver had violations that were not listed on the original application. The driver report received by the company revealed the violations, and the premium was adjusted accordingly.

CAN MY INSURANCE COMPANY ADD MY NEWLY LICENSED SON/ DAUGHTER TO MY AUTO POLICY WITHOUT MY PERMISSION?

Yes. The automobile policy defines a “family member” as a person who is related to the named insured or spouse by blood, marriage, or adoption and who resides in the named insured’s household. This definition also includes a ward or foster child or children that are away at College. Click here to view brochure: http://www.nh.gov/insurance/consumers/documents/nh_auto_guide.pdf

WHAT ARE THE RESIDENCY REQUIREMENTS FOR THE STATE OF NEW HAMPSHIRE?

A person must sign the residency statement as required by RSA 417-A:3-b, in order to obtain a motor vehicle insurance policy in New Hampshire.

Per Administrative Rules 1402.02 (s) and 1405.02 (y) a resident is defined as:

- (a) A resident is a person who maintains his or her true, fixed and permanent residence within the State of New Hampshire, does not claim residency in any other state for any purpose and who has, through all of his or her actions, demonstrated a current intent to designate that the permanent residence is his or her principal place of physical presence for the indefinite future to the exclusion of all others; or
- (b) A resident is a person who has previously met the conditions of (a) above and who now maintains a permanent residence in New Hampshire for the entire year and has actually spent more than 183 days in New Hampshire during the previous calendar year.

There are two exceptions to the residency definitions above. The exceptions per RSA 261:46 and New Hampshire Rule 1406.01 are:

1. If your vehicle is exclusively garaged in New Hampshire.
2. You are on active duty with the United States military, and a resident of New Hampshire or on active duty and stationed in New Hampshire and all vehicles on the policy are garaged in New Hampshire.

A residency statement will be provided by the insurer, it is a requirement that the document be signed and returned to the company per RSA 417-A:3-b.

Frequently Asked Questions

WHAT IS THE DIFFERENCE BETWEEN COMPREHENSIVE COVERAGE AND COLLISION COVERAGE?

Collision Coverage pays for damages resulting from the collision with another vehicle or object.

Example: An unoccupied vehicle was struck by a grocery cart in a parking lot. This would be considered a collision loss and would be subject to the applicable collision deductible.

Comprehensive Coverage provides coverage for physical damage to your vehicle caused by items other than collision such as theft, fire, vandalism, hail, falling objects or hitting an animal. A deductible may apply depending on your choice at the start of your policy. In most states this is an optional coverage and is not usually a required coverage, unless you have a leinholder.

Example: Tina's car was struck by a falling limb while she was driving. She contacted her insurance company and the company verified that the loss would be covered by the comprehensive coverage she selected when buying her policy.

WHEN I BUY AN ADDITIONAL CAR OR REPLACE A CAR, DOES MY POLICY AUTOMATICALLY COVER IT?

Yes. An additional car is typically provided the same coverage as the car with the broadest coverage provided by your policy. A replacement car automatically has the same coverage as the car it replaced. However, most personal auto policies require the policyholder to notify his/her agent or company within a specified number of days of replacing or adding a vehicle. If you do not contact your agent or company in a timely manner, your temporary coverage may not provide adequate coverage to insure your automobile and in some instances may terminate.

Example: Tina has two cars. One has just liability coverage. The other has liability, collision and comprehensive - the broadest coverage afforded by the policy. If Tina buys a third car, it automatically will have liability, collision and comprehensive. However, if Tina had two cars and traded the older car, which had only liability coverage, the new car would automatically have only liability coverage.

IF I HAVE ADDITIONAL QUESTIONS OR AM NOT SATISFIED WITH THE SERVICE THAT MY AGENT OR INSURANCE COMPANY HAS PROVIDED, HOW DO I CONTACT THE DEPARTMENT OF INSURANCE?

You may reach a Consumer Services Representative at 800-852-3416 or 603-271-2261.

SR-22

WHAT IS AN SR-22?

An SR-22 is a certificate that demonstrates “proof of liability insurance.” The certificate is purchased by the uninsured, at fault driver from an insurance company licensed in NH. The certificate must be submitted by the licensed insurance company to the New Hampshire Department of Motor Vehicles (DMV).

HOW MANY DIFFERENT TYPES OF SR22'S EXIST?

Three different certificates are available. An Owner's Certificate demonstrates proof of financial responsibility for vehicles owned by the operator. An Operator's Certificate demonstrates proof of financial responsibility for the driver's license and any vehicle the individual is driving that is not registered to the driver. An Owner's/Operator's Certificate demonstrates proof of financial responsibility for the individual's license and registered vehicles, as well as any vehicle the driver is operating.

The individual named on the SR22 is the only person covered by the SR22. The individual holding SR22's should verify coverage and limitations with his/her insurance agent or company.

I'VE HAD AN “AT-FAULT” ACCIDENT AND HAVE NO INSURANCE. WHAT ARE MY FINANCIAL RESPONSIBILITIES TO THE PARTY NOT “AT-FAULT?”

There are a few options available for an individual to satisfy his/her financial responsibility requirements.

- An SR22 may be purchased from a licensed insurer.
- A bond may be purchased from a surety company.
- You may be approved by DMV to make payments to the “not-at-fault” party, the insurance company, or a collection agency. This method also requires that you hold an SR22 for a 3 year period.

I'VE HAD AN UNINSURED “AT-FAULT” ACCIDENT, WHAT ARE THE RAMIFICATIONS IF I CANNOT MEET MY FINANCIAL OBLIGATIONS?

If you have not complied with the requirements noted above, DMV will take the necessary steps to suspend your drivers' license and/or your vehicle registration until personal lines financial responsibility has been furnished to satisfy any obligation(s) for damages resulting from the accident.

ARE THERE OTHER SITUATIONS WHEN I MAY BE REQUIRED TO PROCURE AN SR22?

Yes. Some type of driving violation/occurrence may require the procurement of an SR22.

Here are some instances of violations/occurrences requiring an SR22:

- DWI (1st, 2nd, Aggravated, etc.)
- Conduct after an accident
- Habitual Offender
- Two (2) reckless operations within a five (5) year period

CAN VIOLATIONS AND OCCURRENCES FROM OTHER STATES BE USED AGAINST ME?

Yes. States are reciprocal. Violations and occurrences are sent from other states and added to your New Hampshire driver history.

I AM HAVING DIFFICULTY OBTAINING AN SR22 FROM AN AGENT OR INSURER, BECAUSE MY LICENSE HAS BEEN SUSPENDED. CAN THEY REFUSE TO PROVIDE ME WITH AN SR22?

Financial Responsibility is required by the state of New Hampshire. The law requires the SR22 to be obtained even if the driver responsible for the accident has no license or the vehicle involved in the accident is not a registered vehicle. The law also requires the suspension of the responsible driver's license and/or suspension of the registration of the vehicle involved in the accident until satisfaction of judgments is rendered and proof of financial responsibility is obtained. The SR22 is required during the time the "at-fault," uninsured driver's license is suspended.

Additionally, NH is a take all comers personal lines automobile state. Therefore, all insurers licensed to sell personal lines automobile insurance in NH must provide you with minimum financial responsibility limits and an SR22. Refusal to write an SR22 by an insurer or producer/agent would violate the statutes requiring proof of financial responsibility and NH "take all comers" requirement.

I'VE MOVED FROM NEW HAMPSHIRE TO ANOTHER STATE. MY NEW STATE OF RESIDENCE REQUIRES THAT I OBTAIN AN SR22 FROM NEW HAMPSHIRE BEFORE IT WILL ISSUE ME A DRIVER LICENSE. IS THERE ANY ALTERNATIVE TO PROVIDING THE SR22?

No. Additionally, whereas an insurer must issue the SR22, it is advisable that you obtain the SR22 from an insurer that writes automobile insurance in NH and your new state of residence. Choosing an insurer that issues insurance in both states should eliminate potential confusion relative to the requirements of the SR22.

New Hampshire
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Frequently Asked Questions

IS THERE ANY TYPE OF APPEALS BOARD IN PLACE REGARDING FINANCIAL RESPONSIBILITY DISPUTES?

Once the "at-fault," uninsured operator has received a suspension notice he/she has 30 days to request a hearing and discuss his/her concerns relative to the uninsured, "at-fault" accident.

HOW DO I CONTACT THE FINANCIAL RESPONSIBILITY SECTION AT THE DEPARTMENT OF MOTOR VEHICLES?

State of New Hampshire Department of Safety
Financial Responsibility Division
33 Hazen Drive
Concord, NH 03305
603- 271-3101