

Is It Ever a Good Idea to Cancel Car Insurance?

Foster City, CA – Jan. 19, 2021 – While many Americans continue to work from home and find more ways to tighten finances during this challenging time, auto insurance could be considered as a possible snip to the budget.

[CarInsurance.com](https://www.carinsurance.com), a one-stop destination for unbiased, expert advice on car insurance, explains that dropping car insurance as an expense-saving measure is usually not the best decision. But not always.

Find the new resource that discusses when and if to cancel auto insurance here: [When you should \(and should not\) cancel your car insurance policy](#)

Even if saving money is critical, there are several reasons to hang on to the car insurance policy. Here are the biggest:

- **Lapse in coverage causes more headaches than it's worth.** Canceling car insurance and then reinstating it months later looks to the insurance company as a lapse in paying the bill, or that the coverage was canceled perhaps because of high-risk driving. That doesn't "look good." Additionally, since the DMV assumes the registered car owner is still driving, the plates need to be turned in, registration canceled, and a whole lot of other hoops must be jumped through only to reinstate the insurance, likely months later.
- **In the event of a disaster.** While working from home means needing a car a whole lot less, it doesn't mean never needing a car for an emergency. Is it smart to take that gamble?
- **The idea is to save, but it doesn't always work out that way.** Driving or not, some states require a registered car be insured. It's important to consider that comprehensive insurance covers natural disasters, fire or theft even if the damage happens while the vehicle sits in the driveway.

“There are better ways to lower car insurance rather than completely ditching it,” explains Michelle Megna, CarInsurance’s editorial director.

Instead of canceling, CarInsurance experts suggest options such as choosing usage-based insurance, seeking out a low mileage discount, raising the deductible or, most importantly, shopping around for the best deal.

While our experts nudge drivers to avoid canceling their insurance, times when it makes sense to do so.

“The pandemic may have led to such a decrease in income for some that a car insurance bill truly is no longer affordable,” adds Megna. “Canceling may seem like a necessity, but there are ways to work with an insurance agent to decrease the coverage to a more affordable rate. That may mean reducing to the state’s [minimum liability](#) for a while.”

The only time canceling car insurance is truly a “good idea” is after getting rid of an insured vehicle, perhaps because of downsizing to one car or switching over to public transportation. For drivers operating under special circumstances, such as being required to carry an SR-22, it’s important to look for a [non-owner policy](#).

Megna is available to discuss how consumers can get the best value and use out of their car insurance policy.

About CarInsurance

CarInsurance is owned and operated by QuinStreet, Inc. (Nasdaq: [QNST](#)), a leader in providing performance marketplace technologies and services to the financial services and home services industries.

QuinStreet is a pioneer in delivering online marketplace solutions to match searchers with brands in digital media. The company is committed to providing consumers with the information and tools they need to research, find and select the products and brands that meet their needs. CarInsurance is a member of QuinStreet’s expert research and publishing division.

CarInsurance is a one-stop online destination for car insurance information, providing unbiased, expert advice on how to shop for insurance plans, what consumers should pay and what coverage they can get from a policy.

Since 2003, CarInsurance.com has been educating consumers through its breadth of expert content, tools, and in-depth studies to help site visitors make informed decisions about their car insurance.

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