

# Saving Money on Your Insurance

BY JOSE MONTEMAYOR

TEXAS COMMISSIONER OF INSURANCE

## *Internet Insurance Shopping Requires Caution*

**YOU CAN SHOP** for almost anything over the Internet these days, including insurance. Many insurance companies and agents have Web sites. So do businesses and organizations that offer rate quotes and other information to consumers.

As with most Internet transactions, consumers should keep their guard up when shopping for insurance on the Web.

Although the Internet is a wonderful tool, it extends the reach of people bent on insurance fraud and makes it easier for them to remain anonymous. Always assume that if a deal seems too good to be true it's probably neither good nor true.

Before giving personal information or applying for insurance, make sure the agent and/or company is licensed or otherwise eligible to do business in Texas. This is fundamental. The most common insurance scams involve the sale of insurance by people not legally allowed to do so.

The easiest way to learn if an agent or company on the Internet can legally sell in Texas is to call the Texas Department of Insurance (TDI) **Consumer Help Line** at

**1-800-252-3439.**

TDI also can tell you a company or agent's complaint history.

If somebody tells you an insurance product really is not insurance or is exempt from state regulation or that no license is necessary to sell it, call TDI's **Fraud Unit** at

**512-475-4989**

or send an e-mail to

fraud\_report@tdi.state.tx.us.

TDI has recommended that agents show their license numbers, business street addresses and phone numbers on their Web sites.

Texas law generally requires an insurance transaction to be in writing and signed. The use of electronic signatures and other related questions is under review by Congress. Be sure to keep hard-copy records of any Internet transactions. Print out copies of forms you fill out on-line.

If you buy a policy, make sure you receive it (and not merely a photocopy) within 30 days. If you don't receive it, contact the insurance company, not the agent. If you need a company's toll-free number, call TDI's Consumer Help Line.

TDI's truth-in-advertising rules govern Internet representations about insurance products. The Department reviews Web sites on a case-by-case basis to verify compliance. If you see potentially deceptive material in an e-mail or on a Web site, please report it to TDI so we can investigate. You can report by e-mail to

advertising@tdi.state.tx.us.

Be sure to tell us the Web site's address or forward the suspicious e-mail. Or you can write to

**Texas Department of Insurance  
Advertising Unit** (MC 111-2A)  
P.O.Box 14091  
Austin, TX 78714-9091.

If you send a letter, please include a hard copy of the e-mail or tell us the Web site's address.

For more on Internet insurance shopping, check TDI's Web site, [www.tdi.state.tx.us](http://www.tdi.state.tx.us) for our consumer brochure, *Insurance on the Internet—Shopping Tips and Dangers.* ★

### **Editors:**

- If you need further information, call:  
**Texas Department of Insurance  
Public Information Office  
(512) 463-6425**

*We welcome your questions and suggestions about this column.*