

## Frequently Asked Questions: Non-Owner Policy for Youth

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### What is a Named Non-Owner Policy?

There are typically exclusions on a vehicle owner's personal auto policy that state if a listed car is **regularly made available** to any member of a household, the individual must be listed as a driver on the vehicle owner's policy.

With the specially created Named Non-Owner Policy for Youth, youth have coverage for bodily injury and **property damage** if they are found liable when they have regular use of a care giver's vehicle but are not listed as a driver on their care giver's personal auto policy. In addition, if the youth leaves one household and goes to another, the named non-owner policy goes with him/her.

Coverage under this policy is not tied to a specific vehicle. Instead, it is tied to the individual named in the policy. Uninsured Motorist coverage is also provided for youth owning a named non-owner policy. In the event the youth is injured by an uninsured vehicle as a pedestrian or cyclist, coverage for bodily injury is available under the youth's named non-owner policy.

### What is the difference between this policy and other named non-owner insurance policies?

In most private passenger auto policies when someone besides the vehicle owner drives the owner's vehicle with permission, the owner's policy pays first (primary) if their vehicle is involved in an accident and the driver is found to be legally liable (at fault). Named non-owner policies generally pay after (secondary) the vehicle's owner's policy has paid out all of its limits and there is still money owed (damages) to the other vehicle's owner.

With this policy, the named non-owner policy still pays secondary to any other vehicle owner's policy **EXCEPT when the youth has permission to drive a vehicle owned by their immediate care provider**. If a youth is driving the vehicle of his/her care provider, the claim is paid by both policies based on a pro/rata share of the combined total limits of liability.

For example: You reside with a foster family who has a car insured at limits of \$25,000 Bodily Injury (BI) and \$10,000 Property Damage (PD). You don't own a car but you have regular access and occasionally drive the family's auto. You're involved in an accident and found liable for bodily injury to the other driver. The damages awarded to the injured party exceed the family's personal auto liability limits.

**Outcome #1** (You have no insurance): The family's insurance would pay for the damages up to the liability limits specified in their policy, in this case \$25,000 per person. Any additional damages would be the responsibility of you and/or the family and would have to be paid out-of-pocket. Additionally, the family's insurance company would require them to list you as a driver and pay additional premium since you are a member of the household and allowed regular access to their auto.

**Outcome #2** (You have a Named Non-Owner Policy for Youth in State Custody): You and your foster family's insurance would cover damages jointly based on each policy's share of the total limits available.

Example: Foster family BI limits of liability = \$25,000  
Youth BI limits = \$25,000  
Total limits available to pay claim = \$50,000

In this example, each policy contributes 50 percent of the total limits available. Each insured would pay 50 percent of a claim for damages up to \$50,000. The foster family's policy would not have to pay their entire \$25,000 limit before the youth's policy pays. Any damages that exceed \$50,000 would have to be paid out-of-pocket by you and /or the foster family.

### **How do I apply for the special Named Non-Owner insurance policy through AIPSO?**

Any agent licensed to write automobile insurance in the state can assist you in obtaining insurance through the Missouri Automobile Insurance Plan (AIPSO) if you qualify.

### **How do I find an insurance agent?**

Contact the [AIPSO Plan](#) at 888-424-0026 for a list of producers/agents in your area.

### **What does the policy cover?**

You should read their policy carefully and ask your insurance agent any questions you may have after reviewing it, as there are limitations of coverage for this policy.

### **Can more than one youth in the same household get this insurance for the same vehicle?**

Yes, this policy provides coverage for an individual not a specific vehicle.

### **How does the cost for youth in state custody cost compare to other named non- owner policies that AIPSO offers?**

AIPSO is making the coverage available to youth in state custody at a premium that is 45 percent lower than is normally charged under their standard named non-owner policy.

### **Are there other discounts available?**

Not at this time.

### **Is the policy coverage period 6 months or 12 months?**

12 months

### **Can I make installment payments?**

Yes. The payment plan is 30 percent down (subject to \$25 minimum down payment) with the first installment two months after the effective date of the policy and the second installment three months after the policy effective date (and so on up to the fifth and final installment). The full premium must be paid within six months after the effective date of the policy.

For example:

- Policy effective date is June 15

- Annual policy premium is \$400.
- **Down payment = \$120**
- Installment payment #1 = \$56 due on Aug 15
- Installment payment #2 = \$56 due on Sept 15
- Installment payment #3 = \$56 due on Oct 15
- Installment payment #4 = \$56 due on Nov 15
- Installment payment #5 = \$56 due on Dec 15
- No payment due until renewal on June 15.

**What if I do not pay the premium?**

Your coverage will be cancelled consistent with Missouri law.

**How long do I have the Named Non-Owner insurance after I leave care?**

You will have coverage for the remainder of the term of the policy.

**What do I need to do if I move to another placement within Missouri?**

You will need to notify your insurance agent of your new address.

**What do I have to do if I move to another placement outside of Missouri?**

Since this insurance policy is only available in Missouri at this time, you should notify your insurance agent as soon as possible so the policy can be cancelled and any refund can be calculated and returned to you.

**Do I need to provide verification that I am in foster care with an application?**

A verification letter from the Children’s Division on our agency letterhead may be requested at the time of application and each renewal. You can get this from your Children’s Service Worker.

**Who determines if I can get this insurance?**

Eligibility is a discussion between you and the Family Support Team. You should have a means of paying for the insurance.

**How will I know if I’m accepted for coverage?**

The agent will advise you when you have been accepted. You will pay the premium and receive a policy.

**Can I drive other youth in foster care?**

Although there is not a statewide policy in place to prohibit this, it is left to the discretion of those involved with your care.

**Are there guidelines in terms of character?**

At this time there are not specific guidelines on character, however driving is a privilege and responsibility.

**Do I have to have a driver’s license to obtain the insurance?**

Yes

**What will happen if I get a ticket or is involved in an accident while drinking? Will this increase the policy cost and by how much?**

Any driver's driving record is always taken into consideration by insurance companies when being evaluated for a new or renewal policy. Insurance companies routinely review driver Motor Vehicle Reports (MVR) and assign penalty points for moving violations. Although each insurance company has its own point system, most assign higher points as the nature of the violation increases in severity. In some instances, driving while under the influence can add six or more penalty points to a driver's premium. Just one point could increase the insured's premium by 5 percent while six points could more than double the normal premium.