

## Teen Drivers and Your Personal Insurance

**By: Anita Munno, CISR, Personal Lines Manager**

If you have teenagers and you own cars, eventually you will have to cross *that* bridge: adding your new teen driver to your auto insurance. If that thought doesn't send chills down your spine, perhaps these sobering statistics\* might:

- Nearly half of teens asked said they believed that most crashes involving teens result from drunk driving
- 69% said they speed up to keep up with traffic
- 64% said they speed to go through a yellow light
- 56% use cell phones while driving
- 47% said the passengers sometimes distract them

In view of this information, it's clear that having auto insurance you can count on is imperative in the event that a teen driver causes an accident. Periodically reviewing your policy with us is a good idea anytime, but it's especially important when you add your teen driver.

Check with us to make sure your policy limits are substantial enough to protect your assets and income—that's what at stake in

the event of a lawsuit. In addition to your auto insurance, you may want to purchase a personal liability umbrella policy to provide additional peace of mind.



Some additional tips to safeguard you as well as you teen driver include the following:

- Avoid high performance or sports type vehicles—they encourage reckless driving
- Avoid older or unstable vehicles—many are not safe, especially for inexperienced drivers
- Pick vehicles that offer good crash protection
- Pick vehicles with modest engine size
- Limit the number of passengers your teen may have in their vehicle—the less the better to avoid distractions.

Remember that when your teen receives their license, the

insurance company requires them to be added to your auto policy. We'll need the new driver's name, date of birth and driver's license number. Also, let us know if your teen has a grade point average of 'B' or higher as this qualifies them for a good student rate with most companies.

We have a Sample Teen Driving Contract that outlines rules and regulations for your new driver. It reminds us that driving is a privilege, not a right.

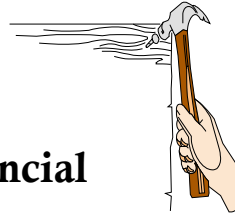
Give us a call for your free copy -- we'll help you navigate this new era in your and your teen's life.

*\*Source: Rocky Mountain Insurance Information System/IMMS Personal Perspective Newsletter*

**Safeco Insurance**

DDM welcomes Safeco Insurance Company, our newest partner for home, auto, and personal umbrella coverage. Call us to get a quote for your personal insurance with Safeco.

# Commercial Insurance News: Buyer Beware! Don't Trade Cheapest Price For Financial Integrity



**By: Steve Deadrick, CLU, CIC  
Vice President**

Everyone already knows the current state of our economy, so I won't bore you with another article on that topic. I will tell you that we closely monitor the financial well being of the insurance carriers we do business with. Hardly a day goes by when I don't receive a news release about another insurance company who has just received a cash infusion to boost capital reserves.

The commercial insurance industry has been in a soft market for the better part of three years now. Premiums have decreased, carrier investment income is in the tank, and catastrophic losses continue to wreak havoc on quarterly profits as claims continue to rise. We regularly review A.M. Best financial ratings and only do business with carriers that have an A.M. Best rating of A- or better.

My feeling is that now is **NOT** the time to be concerned with who has the cheapest premium but instead be more concerned with financial strength of the insurance companies you deal with. We feel that our agency is currently affiliated with carriers that are well positioned to weather this storm.



## DDM Employee Anniversaries

We are pleased to recognize the following employee anniversaries for January through May:

**Kelly Donaldson, AAI, CIC**

28 years

**Scott Werber, LUTCF, RHU**

10 years

**Rebecca Baxley**

8 years

**Cheryl Giering, CISR**

8 years

**Lenora Rood**

4 years

**Anita Munno, CISR**

20 years

**Cynthia Waters**

9 years

**Darrell Diehl**

8 years

**Jack Rogers**

5 years



## WELCOME

Agent Alliance, Inc.  
American Blues, LLC  
Archer Schoen Associates, Inc.  
Benitez Carpet  
Best Masonry Construction  
William Boesman  
Clara Brincefield  
Herbert Brown  
Bryan Campbell  
RW & Deborah Carney  
CDM Associates, Inc.  
CMS Heating & Air  
Conditioning  
Tytus Colianni  
Community Dentistry  
on Wheels, Inc.  
Commercial Property  
Improvement  
Of Central Maryland, Inc.  
DAT Repair, LLC  
DC Painting  
Catherine Detrich  
Done Right Lawn  
and Landscape, LLC  
E=FX2, LLC  
Enpro Solutions, LLC  
John & Diane Foran  
Forbes Flooring  
Maureen Gaffney  
General Concrete Co., Inc.  
Gentle Dental Care, LCC  
Carol Goldman  
Adelaide Gyamfi  
Hanson Productions, LLC  
Highband, Inc.  
Immaculate Painting, LLC  
James B. Cohen Home  
Improvement  
Karen for Kids, Inc.  
Keely's District Boxing  
and Youth Center, Inc.  
Brian Kelley  
Keyser House Associates, Ltd.  
Lavenport Homecare, LLC  
Samantha Ledford  
Jesse Lee Construction  
Steven Lingo  
Llaveroes Services, LLC  
Daniel Lynn  
Leo Martin  
Maryland Speedy Tag  
And Title LLC  
Louis Meunier

## NEW CLIENTS

Richard & Michelle Moore, Jr.  
Robert Muldoon  
Katherine Nelson  
Panda Kitchen & Bath of  
Tysons Corner  
Payne's Yacht Service, Inc.  
Nancy Prendergast  
& Augusto Pichard  
Quadpoints, LLC  
Raspasion Innovation  
David Richards  
RJC Contracting, LLC  
Jose Saravia  
SAVCO  
Sander & Cathleen Schultz  
Sheriff Heating & AC  
Jacob Shoval  
Star Motor Sports, Inc.  
Suburban Soul Grill, LLC  
T&G Commercial Cleaning  
Thunder Hawk, LLC  
Rene Coronado Velasquez  
WCG, Inc.  
Wright's Janitorial Service, LLC



**DDM will be closed on  
the following holidays:**

**Friday, 3 July –  
Independence Day**

**Monday, 7 September –  
Labor Day**

**We wish you and your  
family a happy and  
restful summer!**

## Financial Services News: The Impact For Employers Of Economic Stimulus Act

**By: Scott Werber, LUTCF, RHU, CBC**

On 17 February 2009, President Obama signed in to law the American Recovery and Reinvestment Act, which may be known as the Economic Stimulus Act. Part of the Act included a COBRA premium subsidy. The subsidy also covers states that offer State Continuation, which includes Maryland, Virginia and the District of Columbia. The objective of the subsidy is to prevent too many laid off workers from joining uninsured ranks which could increase economic instability.

Does this have any implications to employers?

Yes, If you have had an employee laid off or fired dating back to 1 September 2008, or if you will lay off or fire someone up until 31 December 2009. If you have not, or will not, then you can disregard the rest of this information.

Most employers have already received information from their insurance company or Administrator. Payroll providers, associations, and various other entities have sent out material.

The Act doesn't change the length of time an Assistance Eligible Individual (AEI) has on COBRA (18-36 months, depending on the reason for separation) or State Continuation (18 months for MD except for divorce, 3 mos. for VA/DC).

Employers were required to mail a notification to those respective ex-employees by Friday 17 April giving them a second chance to enroll in COBRA/State Continuation if they didn't elect it at all or if they started and terminated it prior to completing its full term.

The second major provision is the premium portion. An AEI will only have to pay 35% of his/her COBRA/State Continuation premium. The employer will pay the other 65% to the insurance company. When the employer completes his/her quarterly taxes, he/she gets to deduct the contributions from taxes owed on Form 941. This subsidy will extend to a maximum of nine months. The subsidy portion is only retroactive to 1 March 2009, and it is not available to go back to 1 September 2008.

Ineligible notables:

Individuals earning over \$145,000 (and \$290,000 joint incomes)  
There is a phase-out beginning at \$125,000 individual and \$250,000 joint  
Individuals whose qualifying event was a reduction in hours  
Individuals who were fired for gross misconduct  
Individuals who quit  
Individuals who are eligible for Medicare or other health coverage

For those who are receiving the subsidy, their coverage will terminate at their scheduled COBRA time. For example, an employee who is laid off on 1 September 2008 and starts the plan 1 March 2009 still only gets 18 months from 1 September 2008 and not 1 March 2009.

Dep't of Labor-COBRA & ARRA

<http://www.dol.gov/ebsa/COBRA.....html>

ARRA

<http://www.dol.gov/recovery/>

Model notice

<http://www.dol.gov/ebsa/COBRAGeneralNoticeFullVersion.doc>

IRS website - COBRA - answers for employers

<http://www.irs.gov/newsroom/article/0,,id=204708,00.html>

Please contact our Financial Services Department for additional information.



**WE ARE PROUD OF OUR PROFESSIONAL STAFF AND INVITE YOU TO CALL US.**

**PERSONAL LINES DEPARTMENT**

- Anita Munno, CISR, Manager x 25
- Wendy Parsons x 26
- Cynthia Waters x 23

**COMMERCIAL LINES DEPARTMENT**

- Kelly Donaldson, AAI, CIC, Manager x 28
- Rebecca Baxley Certificates and Claims x 32
- Brooke Beauman x 27
- Frances Smutniak, CISR x 29
- Cheryl L. Giering, CISR, CIC x 33
- Whitney Donaldson x 34

**FINANCIAL SERVICES DEPARTMENT**

- Scott R. Werber, LUTCF, RHU, CBC x 16
- Jack Rogers, Jr. x 36

**SALES AND MARKETING**

- Stephen J. Deadrick, CLU, CIC x 17
- James Day, CIC x 15
- Charles Day x 35
- Darrell Diehl x 18

**ACCOUNTING AND ADMINISTRATION**

- Caroline Day Scruggs, AAI, CIC x 14
- Lenora Rood x 10



At Day, Deadrick & Marshall, we value our clients, and we are committed to understanding their needs by counseling them with sound products and personalized insurance and financial solutions.

As a team, we strive to provide exceptional, professional service to our clients, and we are dedicated to offering growth and opportunity for our associates and for our agency.

**DAY, DEADRICK & MARSHALL QUARTERLY** is published as a service to our readers. Any information contained in this newsletter should not be construed as an insurance contract. We urge you to read your policies carefully to determine your coverages. Please direct questions or comments to:

Caroline Day Scruggs, AAI, CIC, President  
 10732 Baltimore Avenue, Beltsville, MD 20705  
 Phone: 301-937-1500 Fax: 301-937-9120  
 Toll Free: 1-800-591-1550  
 Office Hours – M- F – 8:00 – 4:30 and by Appt.

E-mail Address: [caroline@ddminsurance.com](mailto:caroline@ddminsurance.com)  
 Visit us on the web at [www.ddminsurance.com](http://www.ddminsurance.com)