

# How to save a bundle on rental car insurance and make sure you are covered

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After landing at an airport, many of us will proceed to collect our luggage and head to the car rental counter. It is there that they will invariably offer to sell you insurance.

I've been in this same situation countless times, but after a recent trip to Vancouver where the price of the insurance offered was more than the price to rent the car, I decided to do some digging to find out the smartest options.

Every rental will include basic liability coverage. It's required by provincial law. But some kind of additional insurance to pay for damage to the car is a good idea. The cost to repair even small dings or a cracked windshield can quickly run into the thousands of dollars.

Accepting the offer at the counter is usually a very expensive way to get that insurance.

We recently rented a car in Vancouver from Hertz. When we made the booking on Expedia, the site offered insurance for nearly half of the price that we were going to pay for the car rental. We declined Expedia's offer and assumed we would do better at the Hertz counter.

We were wrong. For a two-week rental of a mid-sized car, Hertz was charging us \$380.72. The "loss damage waiver" it offered, covering physical damage to the car, as well as theft or vandalism, but not injuries, would have cost an additional \$489.86.

We declined.

What I have learned is to plan ahead.

There are choices out there, but the time to research them is well before you book the car, not at the rental desk.

Almost every insurance option requires that you already be a customer, whether it's your own auto insurance company, the credit card you use, or the website that you use to make travel bookings.

In our case, it turned out that Expedia would have been a better option than Hertz. If we had purchased rental insurance through Expedia, we could have bought a "travel insurance policy" for the same two-week rental for \$241.80 – that's \$16.12 a day, or slightly less than half of what Hertz wanted to charge us. Even more amazing: The Expedia package includes not just collision coverage, but trip cancellation coverage, and will pay some emergency medical expenses.

If you don't use Expedia (or similar booking websites), those rates are similar to another option called [RentalCover.com](https://www.rentalcover.com), a standalone rental car insurance site that will set up your insurance prior to picking up the car. Unlike some car rental insurance policies, RentalCover will insure all drivers listed on the rental agreement as well as fees for loss of use and towing, and they'll cover trips of more than 30 days. They'll also cover you if you're renting a motorhome or recreational vehicle.

In this case, while still at the rental counter, we chose to call the insurer who provides our car insurance in Nova Scotia. Our agent added rental car coverage to our existing auto policy, and assured us that we were now fully covered for an annual fee of \$32 a year. That quick call saved us hundreds of dollars.

The other insurance option that is often available is through your credit card. Most major credit cards offer some form of rental car insurance as part of their package of benefits. Call your card company or visit their website ahead of time to make sure your specific card package includes this coverage.

As you're doing this research, be sure to ask some careful questions. For instance, if you decide to accept insurance coverage from the rental company, will you still be

covered by an outside insurance policy? It's generally an either/or proposition. And you should be clear that the auto rental company might require the cardholder to pay for damages with their credit card, with your card company reimbursing you after the claim is processed.

In other words, you might find your credit card maxed out.

Beyond that, rental insurance plans all have various rules. Most companies have age restrictions. Expedia, for instance, excludes drivers under 25 years of age, or over 70. Some insurance packages exclude camper vans and the like. All of them insist that you stay on paved roads and obey rules about drinking and driving.

Before booking your rental car, look carefully to make sure that your credit card insurance includes your entire planned trip – especially if you're travelling to more than one country – and the specific vehicle type that you hope to drive.

And if there will be more than one driver, always ask if both you and your partner are covered. Some rental car insurance packages will charge double for a second driver.

If you damage your rental car, understand that using outside insurance may leave you faced with paying the entire cost of repairs before you can claim it from your own insurance company. Hertz, for instance, is specific that if you “choose to decline Hertz's coverage, you will be responsible to Hertz for the full value of any damage due to loss of or damage to the Hertz vehicle. If loss does occur, you must then submit a claim for reimbursement to your credit card company.”

In recent years, we've had to negotiate claims with both car rental companies and the company that moved our household. We've learned that it's worth taking the time to document anything that might come back to haunt you. Even though you'll be anxious to get on the road, find a well-lit spot to stop, examine the car for existing damage and take photos. If you see any sort of dings, dents or scratches, call the rental office and tell them.

And if you bring the car back, and the rental agent suddenly demand hundreds or thousands of dollars to repair damage? Always be reasonable, but never feel a rental agent's assessment is the final word.

People make mistakes, and they especially make mistakes when examining a dirty car in a dark, underground garage. Insist that they show you exactly what they think needs repair. If you don't believe that you caused the damage, or that the damage merits a claim, say so.

I love rental cars and the chance to drive a new make and model of car every time that I travel. Now that I understand how to manage my insurance, I'm sure my next trip will be that much more relaxing.

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