

Press Releases

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Press Release: Michigan tops state rankings for most expensive car insurance rates; Vermont is lowest

By [Insure.com](https://insure.com) Posted on October 16, 2018

Oct 16, 2018 (Foster City, CA) – For the fifth year in a row, Michigan has held onto its title as the most expensive state for car insurance.

According to data analysis by Insure.com, the Wolverine state's average car insurance premium hit \$2,239 this year. While this is a slight decrease from last year, Michigan is still \$874 – or 64% – higher than the national average premium.

On the flip side, Vermont is the cheapest state for car insurance, with an average annual premium of \$932. Again, as in previous years, more rural states come out on top when it comes to inexpensive car insurance. No. 1 ranked Vermont's premium is \$433 less than the national average, which is followed closely by Ohio and Idaho.

For an example of how rates compare for specific vehicles, Insure.com Consumer Analyst Penny Gusner says, "Insuring a 2018 Nissan Rogue (a top selling SUV in 2018) in Michigan costs, on average, \$2,372. In Vermont, the average rate for the best-selling SUV is just \$918. This is a difference of \$1,454 or breaks down that you'll pay 158 percent more to insure the same vehicle in Michigan than in Vermont."

See the full story, including the average insurance rates for every state and the top 20 best-selling vehicles, at Insure.com's Car insurance rates by state, 2018 edition: [/car-insurance/car-insurance-rates.html](https://insure.com/car-insurance/car-insurance-rates.html)

Car insurance requirements vary by state, and that's one reason for the differences in rates. Other reasons include state legal systems, how the state is affected by natural disasters, crime rates and the frequency and severity of

claims.

Top five most expensive states to insure for 2018 (average rate and how they compare with the national average of \$1,365)

Most expensive states 2018	Average annual rate	Compared to national average
1. Michigan	\$2,239	64% higher
2. Louisiana	\$2,126	56% higher
3. Florida	\$2,050	50% higher
4. Rhode Island	\$1,852	36% higher
5. Connecticut	\$1,831	34% higher

"Michigan employs a unique no-fault car insurance system, which is the main reason car insurance is so expensive," says Gusner. "It allows for unlimited medical benefits for injuries sustained in auto accidents and a lot of fraud arises – the result is exorbitant car insurance premiums for car owners."

Top five least expensive states to insure for 2018 (average rate and how they compare with national average of \$1,365)

Least expensive states 2018	Average annual rate	Compared to national average
1. Vermont	\$932	32% less
2. Ohio	\$944	31% less
3. Idaho	\$989	28% less
4. Virginia	\$1,013	26% less
5. Iowa	\$1,025	25% less

"Rural states that avoid severe weather dominate our cheapest to insure list," Gusner says. "Fewer drivers on the road results in fewer accidents and cheaper insurance."

Easy-to-use tools with real data

Our interactive map offers motorists an at-a-glance view of state rate information and how each compares to the national average. We also provide a tool for consumers to research nationwide and state [car insurance rates for 2018 vehicles](#) – a must when looking to buy a new vehicle.

Methodology

Insure.com commissioned Quadrant Information Services to calculate auto insurance rates from six large carriers (Allstate, Farmers, GEICO, Nationwide, Progressive and State Farm) in 10 ZIP codes per state.

We averaged rates in each state for the cheapest-to-insure 2018 model-year versions of America's 20 best-selling vehicles and ranked each state by that average.

Rates are based on full coverage for a single, 40-year-old male who commutes 12 miles to work each day, with policy limits of [100/300/50](#) (\$100,000 for injury liability for one person, \$300,000 for all injuries and \$50,000 for property damage in an accident) and a \$500 deductible on collision and comprehensive coverage. The hypothetical driver has a clean record and good credit. The rate includes uninsured motorist coverage. Actual consumer rates will depend on individual driver factors.

For the full methodology and analysis head over to [Insure.com](#).

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