

Car rental insurance can make sense

By John Scarpinato, *Outside*

We've all been there, waiting at the car rental counter, exhausted from traveling, when the desk agent reels off a series of optional insurance coverage add-ons.

They all seem reasonably important, but they can leave you wondering if you're being baited. The answer isn't that simple, but these tips from insurance advisor Jenny McNeal, will help you make a more informed decision.

Whether the rental company describes this coverage as a collision or loss damage waiver (CDW or LDW), it's essentially the same thing. Its purpose is to protect you from loss or damage to the car you are renting, regardless of whether you have your own insurance.

Most personal auto insurance plans cover this sort of damage even if you're driving a rental vehicle, so people often opt out of the CDW. But McNeal says the policy can be worth the money. "Most people understand that their auto insurance already provides the type of coverage that an LDW does, but they don't consider the deductible," she says. If your deductible is higher than the LDW or CDW fee, it's worth paying the extra fee for the protection – especially if you're driving or parking in dangerous areas, tight streets, or in countries with notoriously poor drivers.

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