

COVERED ON THE ROAD

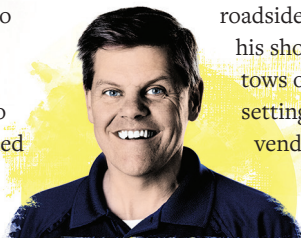
AMA Roadside Assistance Updates

There are many different reasons why people decide to join the AMA. A significant number of our members joined for the opportunity to participate in AMA-sanctioned racing. Even after they stopped racing, many have remained members to take advantage of other benefits, such as the AMA's efforts to protect the future of motorcycling from adverse government actions.

One of the most tangible benefits of AMA membership is one that many members are not taking advantage of: AMA's Roadside Assistance Program. Rolled out in 2009, the roadside assistance benefit is provided at no additional charge to members who sign up for automatic renewal of their membership and maintain a valid credit card on file. The AMA has been able to offer this no-cost-to-you-benefit because it is funded, in large part, by the savings from not having to mail renewal notices.

The AMA contracts with a third party to manage the roadside assistance program. The monthly fee per member was initially similar to the average per-member cost of the renewal notice series mailed to expiring members. The fee to the vendor is adjusted based on AMA members' usage of the program. The more AMA members use the program, the more costly to the AMA the program becomes. Over time, the cost to the AMA has increased.

The AMA recently changed our roadside assistance provider due to significant cost increases attributed to increased usage. While most of that increased usage was legitimate, much of it was due to fraud and abuse that the vendor should have been monitoring more closely. For example, in conducting our own analysis, we discovered that



By Rob Dingman

a used car dealer had been using our roadside assistance to tow cars to his shop, calling in more than 50 tows over 18 months without setting off red flags with the vendor! This type of program misuse had driven the cost of providing this member benefit well beyond the savings associated with not mailing renewal notices to members enrolled in the program.

In addition to finding a new service provider, we made some minor adjustments to the roadside assistance program to help control costs. The program still covers every vehicle registered to your household, including motorcycles, cars, RVs and non-commercial trucks and trailers. Unlimited calls are provided for motorcycles, while calls for other types of vehicles are limited to three per member per year. An examination of the number and types of calls being made by our members demonstrated that the vast majority either didn't need to use the service or used it three times or fewer per year. This means that most of you won't notice any difference in the program.

For those who remember the old AMA MoTow program—which cost an additional \$25 a year and covered only bikes—the current AMA Roadside Assistance Program remains far superior, offering car, truck and RV coverage for no additional cost to the covered member.

An important part of the program—and the reason the AMA can offer roadside assistance at no additional cost—is the requirement that members keep a valid credit card on file. Doing so eliminates expensive mailing costs that the AMA can give back to members as a benefit. To remain in the program, you must keep a valid credit card on file or your coverage will be dropped.

You also can be enrolled in the AMA Roadside Assistance program by purchasing a three-year membership, because a three-year membership also saves the AMA money on renewal notices.

We recognize that sometimes our members just have bad luck and may need to use roadside assistance more than three times per year for other vehicles. For those members, we now offer a buy-up plan: AMA Roadside Assistance Plus. For an additional \$35 annual fee, you can purchase coverage that includes unlimited tows for all your vehicles that is comparable to competing programs that cost more than twice as much. Also, AMA Roadside Assistance Plus does not require a credit card on file, because the program cost is covered by the fee.

With these changes to the program, continued vigilance against fraudulent activity and ongoing cost controls, it is our hope that we can maintain the roadside assistance benefit well into the future.

That's where you, the covered member can help. Remember that AMA Roadside Assistance is intended to be an emergency program and isn't intended to replace regular vehicle maintenance. For example, if your car has a dead battery and you use the service to get a jump-start, be sure to find out if the battery needs replacement or a charging system repair is needed, instead of making a second call for a jump start. That second call just drives up the cost to the AMA of providing this great benefit to you.

The AMA Roadside Assistance program is a tremendous value to AMA members. We've looked at many competing offers and you won't find the same or better coverage without spending far more than the cost of an AMA membership.

If you are not taking advantage of AMA Roadside Assistance, you owe it to yourself to check it out. Just give our Member Services Department a call at (800) 262-5646.

As always, thanks for being an AMA member!

Rob Dingman is AMA president and CEO.