[As cars get safer, why isn't insurance getting cheaper?]

CBS Money Watch

Auto technology is moving ahead faster than a Texas speed limit. Automatic braking prior to an accident, blind-spot warnings in traffic, rear-view cameras and a host of other options now increase the safety of new models.

But will these new devices lead to discounts by auto insurers? No, according to a study by The Zebra, a car insurance comparison website. Drivers who buy the high-tech stuff actually save less that 1 percent on their insurance premiums.

"Drivers with new anti-theft and safety technology features in their cars see little to no reward or discounts from auto insurance companies –– despite the proven benefits of the technology," said Joshua Dziabiak, The Zebra's chief operating officer.

Of the nine safety features the site studied — blind-spot warning, driver alertness monitoring, collision-preparation systems, lane-departure warning, night vision, parking assistance, rear-view cameras, heads-up displays, and electronic stability control ESC) — only ESC showed any reduction on average national premiums, and that amounted to just $5 per year. In fact, 17 states offered no auto insurance savings for any of these safety devices.

Why aren't the discounts getting offered? According to insurers, the short answer is: While cars may be getting safer, drivers are becoming more dangerous.

Most of the devices that are supposed to save drivers from themselves have yet to be proven on America's increasingly hazardous highways. And some of the features have added to the cost of fixing these cars, which often ends up coming out of the insurer's pocketbook.

"As cars become platforms for software, they become more expensive to repair," said Vice President Bob Passmore of the Property Casualty Insurers Association of America PCIAA). "In the old days when you banged up a bumper, you got a new one. Now you're looking at hundreds of pieces."

No one who drives today would say they're any safer, and you can blame it on an increasingly good economy. In stark statistics, auto insurance rates rise as jobless rates fall. As more people get jobs and commute to work — and make more money — they travel more. That will hit nearly 3.2 trillion miles this year, according to estimates from the Federal Highway Administration, a steady climb from 2012, when the nation was still early in its recovery.

Collision frequency is up almost 3 percent a year, according to the Insurance Information Institute III), and when cars and trucks do tangle, the results are much worse. Collision severity has risen more than 8 percent in the last two years. And in 2015, fatal crashes climbed more than 7 percent to over 35,000.

The result: Far from going down, which premiums normally do when cars get safer, they've gone up by 7 percent this year, and in some states by 25 percent.

It's easy to find scapegoats, like lower gasoline prices, an increasing spate of bad weather or even "distracted driving" when people text or play Pokémon on the road.

"There's been a huge increase in transportation network drivers like Uber on the road," said Executive Director Amy Bach of San Francisco-based consumer website United Policyholders. "A lot of them don't know the neighborhoods they're driving in, rely 100 percent on GPS and are constantly looking at their screens."

Whatever the reason, the outcome is higher collision costs, at a time when property-casualty insurers are making less money on their investment portfolios because of low current interest rates. "They need 8 percent to 10 percent and they're only making three to four," said Bob Hunter, director of insurance for the Consumer Federation of America. That may be ahead of the average bank interest of 1 percent, but it's not enough for Wall Street investors.

So it's not surprising that insurance companies are taking a wait-and-see attitude toward new technologies and searching for more data to see if they're really effective. "Even with advanced technology, there is still a lot of room for driver error," according to The Zebra. "Some drivers even deactivate ‘annoying’ features, like lane departure warning.”

Eventually, car insurers do react to improvements in car safety, but when they do it basically boils down to the numbers, said the PCIAA’s Passmore. First, how many accidents has a type of car been involved in? Second, how much does it cost to fix the car? And third, how much does it costs to fix the people inside the car at the time of the accident?

Passmore added, ”For a device to get a discount, it has to be something that a lot of people already have. For example, backup cameras do prevent tragedies, but they’re still relatively rare. Conversely, safety devices that are now in use everywhere, like antilock brakes, are now ‘baked-in,’ so no one gets a discount for them anymore.”

“If you want to know which cars will actually get the lowest insurance rates, look at the Insurance Institute for Highway Safety’s top safety picks,” suggested spokesperson Michael Barry of the III.

Here are several ways to get discounts that he knows car insurers actually offer:

Drive less for low-mileage discounts.
Shop online. You may find an insurer that will provide discounts that your current carrier doesn’t.
Consider “telematics.” Some insurers give a 5 percent discount for just trying this technology, which transmits data about your driving habits to the insurer.
Students who get good grades can often reduce their huge premiums.
Take a defensive driving course.