INSURANCE CHECKLIST

LIABILITY COVERAGE

This coverage helps pay damages to others if you are found to be at-fault for an accident or incident. This is part of your insurance policy that is paid to others on your behalf, and generally comes in the form of Bodily Injury Liability Coverage and Property Damage Liability Coverage. Most states have minimum limits you must purchase in order to legally drive.

STATE MINIMUM COVERAGE

Never drive uninsured. Make sure that your policy abides by the laws of your state's minimum policy requirements for both liability coverage and bodily injury coverage.

UM/UIM* COVERAGE

This is one of the MOST IMPORTANT types of coverage that no one knows about. It's an addition to your basic policy and it is the ONE coverage that is there to protect ONLY YOU. It protects you when the at-fault driver has insufficient insurance to cover your losses.

*UNINSURED/UNDER-INSURED MOTORIST COVERAGE

"REDUCED BY"

Whatever coverage you have is reduced by what at-fault driver's insurance.
For example, if you have a $50k "reduced by" policy and the person who hits you has a $25k policy, you can only collect $25k from your insurance and $25k from theirs, $50k total.

"ADD ON"

Your coverage is added on to the insurance of the person who caused the accident. For example, if you have a $50k "add on" policy, and the at-fault driver has a $25k policy, you can collect your $50K insurance PLUS their $25K$75k total

"MEDPAY" COVERAGE

Medical Payments Coverage, sometimes called "Medpay" or "Medical expense coverage" is an often optional, additional coverage that can help to pay yours or your passengers' medical expenses if you're injured in a car accident, regardless of who caused the accident. This coverage is not available in all states.

"FULLY INSURED"

"Fully insured" sounds great, right? You'll have everything you need in the event of an accident. But what it *actually* means is that you have met your state's legal *minimum* policy requirements, and in most cases that is not nearly enough in the event of an accident.