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{ COVERAGE



DO YOU REALLY HAVE FULL COVERAGE?

In the past I have suggested that you review your auto insurance policies to see if your coverage is sufficient for your true needs. The one area that continues to present problems is the *uninsured and underinsured* portions of the policy. To put it frankly, most of you are NOT carrying the proper protection in this area.

UNINSURED MOTORIST COVERAGE protects YOU when you are involved in an accident with a driver who is UNINSURED and is at fault for the accident. The limits of coverage you carry for this type of insurance are the limits you can recover if injured by an uninsured motorist.

UNDERINSURED MOTORIST COVERAGE protects you when you are involved in an accident with a driver who, while insured, carries limits of coverage insufficient to compensate you for your injuries. In this situation, your coverage will essentially “fill in the gap” between the value of your claim and the coverage the other driver carries.

As a general rule I suggest that you carry AS MUCH UNINSURED/ UNDERINSURED MOTORIST COVERAGES AS YOU DO LIABILITY COVERAGE (which protects you when a claim is made against you).

Looking at Example 1 you will note that in this instance, as seen in most policies, the amount of LIABILITY COVERAGE is greater than the amount of UNINSURED/UNDERINSURED MOTORIST COVERAGE. Please look carefully at the cost of the premium for the UNINSURED/UNDERINSURED MOTORIST COVERAGE. You will note that it is very inexpensive. Liability coverage and collision coverage are generally the most expensive portions of the policy premium. Uninsured/Underinsured Motorist Coverage is generally the cheapest portion of the policy premium!

Look carefully at Example 2 and note that I have increased the UNINSURED/ UNDERINSURED MOTORIST COVERAGE to equal the LIABILITY COVERAGE. Note the small increase in the premium for the increased coverage which protects you in these circumstances. Each insurance company will be different, based on many different factors.

But, the UNINSURED/UNDERINSURED MOTORIST COVERAGE will always be the cheapest part of the policy premium and the best coverage you can get for yourself!

Always remember to shop and compare rates between companies. There are great savings to be made when you do so.

The bottom line here is that you are as important as the person you hit. Protect yourself as well as you protect the other guy!



AUTO INSURANCE QUOTATION

This is for a 55-year-old man driving a BMW.

EXAMPLE 1

COVERAGE	LIMIT/ DEDUCTIBLE	BMW
Bodily Injury Liability	50/100	\$212.00 ← Cost
Property Damage Liability	50,000	\$105.00
Uninsured Motorist Bodily Injury	15/30	\$ 33.00 ← Cost
Medical Payments	5,000	\$108.00
2000 BMW 528i		
Comprehensive	500	\$86.00
Collision	500	\$293.00
Uninsured Motorist Collision Deductible Waiver	500	\$5.00
Towing and Labor	50	Included
Rental Reimbursement	25/750	\$21.00
Additional Equipment	1,000	\$0.00
Total Premium for Six Month Contract: \$863.00		

EXAMPLE 2

COVERAGE	LIMIT/ DEDUCTIBLE	BMW
Bodily Injury Liability	50/100	\$212.00 ← Cost
Property Damage Liability	50,000	\$105.00
Uninsured Motorist Bodily Injury	50/100	\$ 52.00 ← Increase of \$19
Medical Payments	5,000	\$108.00
2000 BMW 528i		
Comprehensive	500	\$86.00
Collision	500	\$293.00
Uninsured Motorist Collision Deductible Waiver	500	\$ 5.00
Towing and Labor	50	Included
Rental Reimbursement	25/750	\$21.00
Additional Equipment	1,000	\$0.00
Total Premium for Six Month Contract: \$882.00		