

Basics of Automobile Insurance

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There are many different forms of insurance policies including homeowner's, automobile, boat, motorcycle, etc. Even though most individuals have various insurance policies and premiums are part of their monthly expenses, some of those individuals may not have a thorough understanding of key terms applicable to their policies.

While we all hope to never need to rely on our automobile insurance policy, this brief summary is intended to help you better understand the basics in the unfortunate event you need to submit a claim for either a personal injury, property damage, or both.

Automobile Insurance

Automobile insurance is a contract between the policyholder and the insurance company. The basic premise is that the policyholder agrees to pay the premium and the insurance company agrees to pay for losses as defined in the policy. Typically, automobile insurance policies provide property (damage to car), liability (bodily injury or property damage to others), and medical coverage (treating injuries, sometimes lost wages).

Most states require drivers to maintain certain amounts of insurance before they can legally drive a car. In West Virginia, drivers are required to have automobile insurance in the amount of \$25,000 for bodily injury or death of one person, \$50,000 for bodily injury or death of two persons in any one accident, and \$25,000 for property damage.

1. **Bodily Injury.** The bodily injury liability coverage of your automobile policy is intended to cover damages that the driver has caused under the policy to someone else, not the injuries suffered by the policyholder. It is not uncommon for drivers to purchase more than the mandatory minimum to protect personal assets in the event another person suffers damages more than the minimum.
2. **Medical Payments.** Unlike bodily injury, the medical payments, also sometimes referred to as Personal Injury Protection (PIP), coverage is intended to pay for treatment of injuries to the driver and passengers of the policyholder's car. There are instances when the PIP section is broad enough to cover lost wages and funeral costs.
3. **Property Damage Liability.** As one may expect, the property damage liability coverage in your automobile property are intended to cover damage the policyholder, or someone driving the policyholder's car with permission, causes to another person's property. This could include

damage to another person's motor vehicle, lamp posts, telephone poles, fences, buildings, etc.

4. **Collision.** The collision coverage in your automobile insurance policy is intended to cover damage to your vehicle that results from a collision with another vehicle, object, or rollover. An important note for West Virginia residents, the collision coverage may also cover damage caused by potholes. It is common for collision coverage to include a deductible of approximately \$250 - \$1,000. The collision coverage will be available even if the policy holder is at fault for the damages to the vehicle.
5. **Comprehensive.** Comprehensive coverage, also known as full coverage, is intended to cover damage to your vehicle caused by something other than another vehicle, e.g. flood, fire, vandalism, deer, etc. It is not uncommon for policy holders to use comprehensive coverage to repair cracks in windshields caused by road debris. Comprehensive coverage is not required by law in West Virginia but is often recommended by your lender's insurance carriers that you purchase full coverage until the car loan is repaid.
6. **Uninsured and Under-insured Coverage.** As the names imply, under-insured and uninsured coverage can be made available if certain circumstances occur. For example, if you suffer damages that exceed the available insurance of the other driver, you may submit a claim under your own under-insured coverage. Similarly, if you are hit by a driver that either does not have any insurance or is unable to be located because you were the victim of a hit-and-run driver, you may submit a claim under your own uninsured coverage. **UNINSURED AND UNDERINSURED COVERAGE IS THE MOST IMPORTANT COVERAGE YOU CAN BUY!** It protects you and your family in the event of a crash, and it can be surprisingly less expensive to purchase than you might think. Insurance agents in West Virginia are obligated to show you accurate quotes so please ask for prices in high amounts so you can make an informed decision with respect to the coverage you buy to protect you and your family.

As you can see, it is not difficult to envision a scenario in which you may submit a claim under each of the aforementioned coverages in a single accident.

The personal injury attorneys at Bailey Glasser are well versed in the insurance coverage that may be available to our clients and are aware of the arguments used by insurance companies to avoid providing coverage. If you or a loved one have suffered a personal injury you do not have to navigate the complex insurance coverage alone. The personal injury team at Bailey Glasser is here when you need us most.

Attorneys

Travis A. Prince

Practice Areas

Catastrophic Personal Injury