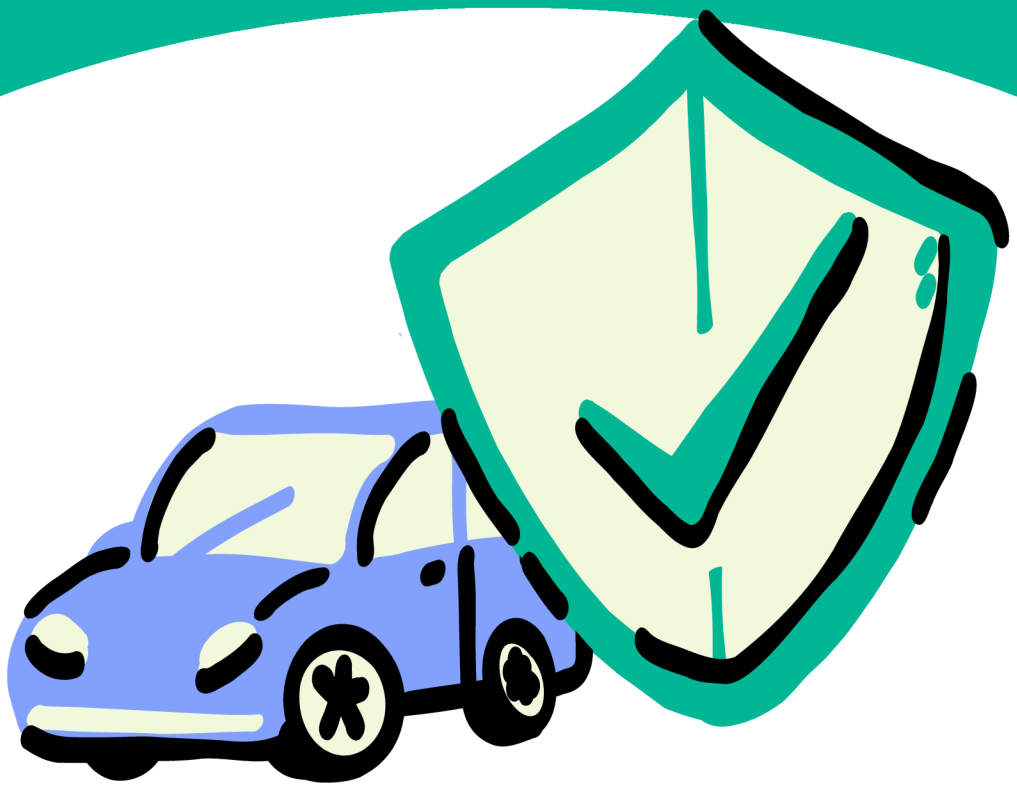
THE INSURANCE CODE: UNDERSTANDING YOUR AUTO POLICY WITH M.E.



M.E. Law Group, PLLC

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If We Don't Win Your Case You Don't Pay & We'll Pay Your Medical Bills

Introduction

Let's be honest—most people buy insurance because the law says they have to. They pick the cheapest policy, pay the bill every month, and hope they never have to use it.

The problem? By the time you find out what's covered...it's too late.

This guide will help you understand what you're paying for, what coverages matter most, and how to better protect yourself and your family.

1 LIABILITY COVERAGE

The Coverage That Protects Others

Liability coverage is the part of your auto insurance policy that pays for injuries and property damage you cause to someone else if **you're at fault for an accident**.

Here's the easiest way to remember it: **Liability insurance protects THEM, not YOU**.

Let's say you rear-end another driver. If you're at fault, your liability coverage may pay for their medical bills, lost wages, and vehicle repairs —up to your policy limits.

But here's what surprises most people:

Liability coverage does **NOT** pay for your own injuries or damage to your vehicle.

That's why buying only the minimum coverage can be risky. If the damages are greater than your policy limits, you could be responsible for paying the difference out of your own pocket.

2 COLLISION COVERAGE

Who Pays to Fix Your Car?

If you're involved in an accident and your car is damaged, collision coverage is what helps pay to repair or replace your vehicle—regardless of who caused the accident. Think of it like this:

- You hit another car.
- You hit a tree.
- You back into a pole.
- You slide off the road.

In all of these situations, collision coverage is designed to help pay for the damage to your vehicle.

Keep in mind, collision coverage usually comes with a deductible. A deductible is the amount you agree to pay before your insurance company pays the rest. For example, if you have a $500 deductible and your repairs cost $4,000, you'll pay the first $500, and your insurance company may cover the remaining $3,500.

If your vehicle is paid off, collision coverage is often optional. But before removing it to save money, ask yourself this:

If my car were totaled tomorrow, could I afford to replace it out of my own pocket?

3 COMPREHENSIVE COVERAGE

Protection for the Unexpected

Not every claim involves a car accident. Sometimes life just happens —that's where comprehensive coverage comes in.

Comprehensive coverage helps pay for damage to your vehicle caused by things other than a collision. For example:

- A tree falls on your car.
- Hail damages your vehicle.
- Your car is stolen.
- Someone vandalizes your car.
- You hit a deer.
- Your car catches fire.

A simple way to remember it is: If it wasn't caused by a crash with another vehicle or object, it's probably a comprehensive claim.

Like collision coverage, comprehensive coverage usually has a deductible. Once you pay your deductible, your insurance company may pay the remaining covered damages.

If you own a newer vehicle or one that would be expensive to replace, comprehensive coverage is often well worth the cost.

4 UNINSURED & UNDERINSURED MOTORIST

The Coverage You Hope You Never Need

Imagine you're driving home from work when another driver runs a red light and crashes into you.

The accident wasn't your fault.

You have serious injuries.

Then you find out the other driver doesn't have insurance...or doesn't have enough insurance to cover your damages.

Now what?

That's where Uninsured Motorist (UM) and Underinsured Motorist (UIM) coverage can help.

- Uninsured Motorist (UM) may help if the driver who hit you has **no insurance at all** or leaves the scene in a **hit-and-run**.
- Underinsured Motorist (UIM) may help if the at-fault driver's insurance isn't enough to fully cover your injuries and damages.

This is one of the most valuable coverages you can have because it protects you and your family when someone else fails to carry enough insurance.

M.E. Tip:
If there's one coverage you should never overlook, it's Uninsured/Underinsured Motorist Coverage. You can't control whether someone else buys insurance—but you can make sure you're protected if they don't.

5 MEDICAL PAYMENT (MEDPAY)

Extra Help With Medical Bills

After an accident, medical bills can start piling up fast. That's where Medical Payments Coverage, also called MedPay, can help.

MedPay helps pay for your medical expenses after a car accident, no matter who caused it. It may help cover things like:

- Emergency room visits
- Ambulance rides
- X-rays and other medical tests
- Doctor visits
- Medical treatment

One of the best things about MedPay is that you can often use it before your health insurance or while your injury claim is still being resolved.

Keep in mind, MedPay has a limit. If you have $5,000 in MedPay coverage, your insurance company may pay up to $5,000 in covered medical expenses.

6 POLICY LIMITS

How Much Protection Do You Really Have?

Your policy limits are the **maximum amount** your insurance company will pay for a covered claim. Once that limit is reached, you may be responsible for anything over that amount.

For example, let's say your liability coverage is $25,000 per person / $50,000 per accident. If you cause an accident and someone suffers injuries worth $100,000, your insurance company may only pay up to your policy limit. The remaining balance could become your responsibility.

The same idea applies to other coverages on your policy. Whether it's liability, Uninsured Motorist, or Medical Payments coverage, every coverage has a limit. That's why it's so important to know what your policy actually provides.

The same rule applies to everyone else's insurance policy, too. Just because another driver causes the accident doesn't mean they have enough insurance to fully cover your injuries. If their policy limits are too low, you could be left with unpaid medical bills and other losses. That's why Uninsured/Underinsured Motorist (UM/UIM) Coverage is so important—it can provide additional protection when the at-fault driver's insurance simply isn't enough.

8 BIGGEST INSURANCE MISTAKES

Don't Let These Mistakes Cost You Thousands

Most people don't think about their insurance policy until after an accident. Unfortunately, by then it's too late to make changes. Here are some of the biggest mistakes I see:

❌ Buying the cheapest policy. Saving a few dollars each month isn't worth being underinsured after a serious accident.

❌ Not carrying Uninsured/Underinsured Motorist Coverage. You can't control whether someone else has insurance, but you can protect yourself if they don't.

❌ Choosing policy limits that are too low. Higher limits can provide much better protection if you're involved in a serious accident.

❌ Never reviewing your policy. Your life changes over time. Your insurance coverage should too.

❌ Not understanding what your policy covers. Don't assume you have coverage—know what you have before you need it.

M.E. Tip
Spend 15 minutes reviewing your insurance policy today. It could save you thousands of dollars tomorrow.

9 REVIEW YOUR POLICY TODAY

Do You Know What's Covered?

Grab a copy of your auto insurance policy and see if you can answer these questions:

□ What are my Liability Coverage limits?
□ Do I have Collision Coverage?
□ Do I have Comprehensive Coverage?
□ Do I have Uninsured Motorist (UM) Coverage?
□ Do I have Underinsured Motorist (UIM) Coverage?
□ Do I have Medical Payments (MedPay) Coverage?
□ Do I have Rental Reimbursement Coverage?
□ Do I have Roadside Assistance?
□ What are my deductibles?

If you couldn't answer every question, don't worry—most people can't. Now is the perfect time to review your policy with your insurance agent and make sure you have the protection you need before an accident happens.

BONUS

REVIEW YOUR POLICY TODAY

Take a few minutes to fill out this page and keep it with your important documents. You'll be glad you did if you're ever involved in an accident.

Insurance Company: _____
Policy Number: _____
Emergency Claims Number: _____

Liability Coverage Limits: _____
Uninsured Motorist (UM) Limits: _____
Underinsured Motorist (UIM) Limits: _____
Medical Payments (MedPay) Limit: _____
Collision Coverage: ☐ Yes ☐ No
Comprehensive Coverage: ☐ Yes ☐ No

Rental Reimbursement: ☐ Yes ☐ No
Rental Coverage Limit: _____
Roadside Assistance: ☐ Yes ☐ No

My Deductibles
Collision Deductible: $_____
Comprehensive Deductible: $_____

M.E. Tip
Review your insurance policy at least once a year or anytime you buy a new vehicle, add a driver, get married, or experience a major life change. The right coverage today can make all the difference tomorrow.

Knowledge Is the Best Coverage You Can Have.

The truth is, insurance isn't something you think about every day—but when an accident happens, understanding your coverage can make a huge difference. A few minutes spent reviewing your policy today could save you thousands of dollars tomorrow.

Need Help Understanding Your Policy?

At the M.E. Law Group, we're happy to review your auto insurance policy and help you better understand your coverages. We'll explain what you have, answer your questions, and help you identify any gaps in your protection—at no cost and with no obligation.

Whether you've already been in an accident or simply want peace of mind, we're here to help.

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