



WHAT HAPPENS IF THE CAR THAT HIT YOU DOESN'T HAVE ENOUGH CAR INSURANCE?

The unexpected happens – you get hit by a car. Fortunately, you live to tell about it, but then you find out that the person who hit you doesn't have any (or enough) car insurance and no personal assets you can collect. What happens next? Well, that all depends on what **you** did to protect yourself.

All drivers in Washington are required to have liability insurance to protect people they may injure. However, according to a study published by the Insurance Research Council in 2011, 16% of Washington drivers do not carry liability insurance, making Washington the 10th highest uninsured rate in the nation. The national average of uninsured drivers is “just” 13.8%.

Even if drivers follow the law and purchase liability insurance, they are only required to purchase \$25,000 worth of insurance. This means that there is only \$25,000 in insurance coverage to pay your medical bills, wage loss, and compensate you for your pain and suffering. To make matters worse, insurance policies generally provide \$25,000 per person up to a maximum of \$50,000 **per collision**. This means that, if the driver injures more than 2 people in one collision, **only a total of \$50,000** exists to compensate all the people who were injured, **regardless of the severity of the injuries**.

So – how do you protect yourself and your family, if the person who hit you has either no insurance or not enough (and no personal assets to collect)? The answer is easy – **purchase UIM insurance** (known as uninsured/underinsured motorist insurance).

These are the **top 10 important features of UIM insurance**:

1. It provides insurance coverage if the negligent driver who hit you does not have **any** insurance.
2. It provides insurance coverage if the negligent driver who hit you does not have **enough** insurance.
3. It provides insurance coverage if your **car** is hit by another car driven by a negligent driver.
4. It provides insurance coverage if you are hit by a negligent driver while riding a **bike**.
5. It provides insurance coverage if you are hit by a negligent driver while **walking**.

6. It provides insurance coverage if you are a passenger in a car driven by a negligent driver who causes the wreck and who doesn't have any or enough insurance (provided that you did not participate in, cause, or know about the negligence).
7. It does not cause your insurance premiums to increase as a result of the claim.
8. It does not cause your insurance to be cancelled as a result of the wreck.
9. You may be able to resolve the insurance claim against your insurance company via the quicker and less expensive method of arbitration, instead of trial.
10. Your insurance company owes you certain duties in resolving your claim and must treat you fairly (the insurance company for the driver who caused the collision has no such obligation).

Some people think it isn't "fair" to have to use their own insurance or they worry about filing a claim against their own insurance company. Why? UIM insurance is a product, just like all of the other things you buy, and it is there to be used if you need it. If you bought an umbrella to keep the rain off your head, would you feel badly about opening the umbrella in your hand if a rain shower passed over your head? Would you think it was "unfair" to have to use your own umbrella? Of course not.

Although all drivers are required to purchase liability insurance, it is simply unwise to ignore the fact that many don't. Instead, take personal responsibility for yourself and your family and purchase UIM insurance. It is inexpensive and the benefits it provides are invaluable. How much should you purchase? As much as you can afford, but in no case should you purchase less than \$100,000.