

Everything Auto Insurance:
**THERE IS NO SUCH THING AS
FULL COVERAGE!!!**

- Do I have to carry (purchase) auto insurance?
 - Short answer: Yes
 - Long answer: The state of Washington requires all drivers to carry auto insurance. 25/50/10 (Individual/Incident/Prop. Damage)
 - Anything over these amounts YOU STILL PAY.
 - ◆ 1 day in the hospital is about \$2,200.00
 - ◆ 1 day in ICU is about \$4,000.00
 - ◆ Consider 100/300/100 with a high deductible (more on this later)
 - Beyond that, if you have an auto loan, you'll be required to carry auto insurance by your lender.
 - Not carrying auto insurance can cause bankruptcies. From:
 - Medical bills (your own and others')

- Property damage
- Lawsuits
 - ◆ Lost wages, pain and suffering, mental anguish...

- How much will it cost me?
 - Short answer: a lot
 - Long answer: Auto insurance cost can vary according to:
 - What types you carry
 - Liability - sometimes called collision (the required one by WA)
 - Comprehensive (the required one by lenders) - you can't get this one without also paying for liability
 - Uninsured/underinsured motorist (insurance on your insurance)
 - How old you are. (driving experience)
 - What kind of grades you get (believe it or not!)
 - Your gender
 - What you drive
 - Your credit score
 - Your driving history/record.

- What are those different kinds of insurance?
 - Liability (sometimes called collision).

- Collision with another vehicle
 - Collision with an object
 - Single car rollover
 - This is what pays for damage you have done IF you are at fault
 - Ever heard of "no fault insurance"?
 - ◆ Does not occur here in WA
 - ◆ Means no matter who is at fault you pay (or your insurance pays) to repair your own vehicle.
 - ◆ Only 12 states are considered "no fault"
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- Liability continued.
 - Liability is sometimes determined by how much damage your vehicle COULD do
 - Meaning if you drive a motorcycle you can't do as much damage if you hit someone/something than if you drive a 1 ton dually.
 - This is what takes into account your age (driving experience) and grades.
 - Bodily injury coverage
 - This is what pays for the medical bills, funeral expenses, lost income, and pain and suffering for those people you've hurt in an accident.
 - This will NOT cover your own injuries if you are found to be at fault. (remember this is part of liability)

- Comprehensive - covers things not associated with you causing an accident.
 - Theft
 - Vandalism
 - Fire
 - Natural disasters
 - Falling objects
 - Damage by animals
 - Civil disturbance
 - Required by lender
 - If you own your car free and clear, this is optional.
 - Limited to the value of your vehicle (at the time of the claim)

- Uninsured/underinsured motorists' insurance ???!?!?
 - Think insurance for others.

- ◇ The higher your deductible, the lower your premiums.
- ◇ The lower your deductible, the higher your premiums.
 - ▶ If you believe you are a good driver, raise your liability insurance deductible
 - ▶ If you own your car, consider not carrying Comprehensive insurance.



- Paying for your insurance continued.
- Back to those slash lines.....
 - Individual/Incident/Prop. Damage
 - State requirements (25/50/10)
 - The cost to raise these values really isn't very much.
 - Most customers only carry the state minimum
 - Carriers embed 90% of their costs in these minimums
 - I saw my insurance raise from about \$150 to \$180 to raise my slash line. (this was a LOOOOOONG time ago)
- Ask your insurance about discounts
 - Good student
 - Good driver
 - Multi-policy
 - Auto, home/renters, life
- Consider Umbrella policy
 - Usually only available to customers that hold multiple policies.

- \$1,000,000 for around \$50-\$75 a month.
- Worth it once you own property.

<https://www.youtube.com/watch?v=CBmtFPMUcr0>