

The publication provides an overview of auto insurance, emphasizing its necessity for legal driving in most states and the importance of adequate coverage for personal and third-party injuries, property damage, and vehicle repairs. Auto insurance policies typically include various coverage types, such as liability coverage, which protects against bodily injury and property damage caused by the insured; medical expense coverage, which covers medical costs for the insured and passengers; and uninsured/underinsured motorist coverage, which addresses costs when the at-fault driver lacks sufficient insurance. Additionally, collision and comprehensive coverage are available to cover damages to the insured's vehicle from accidents or other incidents like theft or natural disasters. Each coverage type has specific limits, which are the maximum amounts the insurer will pay for losses, typically expressed in a three-number format indicating individual and total bodily injury limits and property damage limits.

When purchasing auto insurance, it is crucial to ensure adequate liability and uninsured motorist coverage to avoid financial repercussions from accidents exceeding coverage limits. The decision to include collision and comprehensive coverage should be based on the vehicle's value and financing status. Comparing quotes from multiple insurers is recommended, as rates can vary significantly based on various factors, including location, vehicle type, and driving history. Policyholders should also consider their deductible options, as higher deductibles generally lead to lower premiums. Medical payments or personal injury protection (PIP) coverage may be beneficial, especially if the insured has limited health insurance. Discounts for good driving records, loyalty, and safety features should be explored to reduce costs.

The publication advises on the importance of thorough documentation during claims, such as taking photos and gathering information from other parties involved in an accident. It also suggests considering "pay-by-the-mile" insurance for low-mileage drivers, which can offer lower premiums. United Policyholders, a non-profit organization, serves as a resource for insurance consumers, providing information and advocacy without financial ties to insurance companies.