

The New Jersey Auto Insurance Buyer's Guide provides crucial information for consumers regarding mandatory auto insurance policies in the state. It emphasizes the importance of understanding personal coverage needs, available options, and consumer rights, including the ability to shop for insurance and adjust coverages or policy limits, potentially receiving refunds for unused premiums. The policy outlines various coverage types, such as Personal Injury Protection (PIP), which covers medical expenses and lost wages from auto accidents regardless of fault, and Liability coverage, which compensates others for bodily injury and property damage caused by the insured. It differentiates between Standard and Basic policies, with the Standard Policy offering more comprehensive coverage while the Basic Policy meets only minimum legal requirements.

Key coverage options include Uninsured Motorist Coverage, protecting against accidents with uninsured drivers, and Underinsured Motorist Coverage for incidents involving drivers with insufficient coverage. Optional Collision and Comprehensive coverages address damages to the insured vehicle from accidents or non-collision incidents, respectively. The guide also discusses limits and deductibles, noting that higher deductibles can reduce premiums. The Right to Sue options under the Standard Policy allow consumers to choose between an Unlimited Right to Sue, permitting lawsuits for pain and suffering without limitations, or a Limited Right to Sue, which restricts legal action unless specific serious injuries occur.

The policy details coverage options and costs, stressing the need for informed decisions regarding coverage amounts. If no selection is made, the Limited Right to Sue may apply, limiting legal recourse against the insurer. Coverage options include Bodily Injury Liability limits from \$15,000 to \$500,000 per person and Property Damage Liability limits from \$5,000 to \$100,000. PIP offers medical expense limits from \$15,000 to \$250,000, with various deductible options, and an Extra PIP Package is available for additional benefits. Uninsured/Underinsured Motorist Coverage limits align with Bodily Injury Liability limits. Collision and Comprehensive Coverage come with various deductible choices, allowing policyholders to tailor their coverage.

The policy includes a Limitation on Lawsuit Option that can significantly impact premium costs. Resources from the New Jersey Department of Banking and Insurance (NJ DOBI) assist policyholders in selecting appropriate coverage. Insurers are not liable for coverage choices made by the policyholder as long as they meet minimum legal requirements. The policyholder confirms understanding of uninsured and underinsured motorist coverage options, applicable to all vehicles insured under the policy and for future renewals until a change is requested. For new policyholders, if no choice is made regarding the No Limitation on Lawsuit Option, the Limitation on Lawsuit Option will apply. If collision and/or comprehensive coverage is selected without a written deductible choice, a default deductible of \$750 will be applied. If the policyholder does not opt for their health insurer to provide PIP benefits, the auto insurer will cover these benefits. A default PIP medical expense limit of \$250,000 will apply if a lower limit is not chosen. For renewals, if choices are not completed, the previous policy's coverage will continue unless new laws require changes. Effective dates for choices are specified: new policies take effect on the effective date, mid-term changes the day after the form is postmarked or received, and renewal changes on the next renewal date if submitted beforehand. The document warns that providing false residency information can lead to civil and criminal penalties. Policyholders are instructed to complete and submit the form via fax or mail to USAA, with faxed documents considered duplicates of the original.