



Auto Insurance Coverage

The Texas Personal Automobile Policy offers eight types of coverage. Texas law requires you to have basic liability coverage. The other coverages are optional, but if you still owe money on your car, your lender will require you to have collision and comprehensive coverage. The following describes the eight types of coverage available in the Texas Personal Automobile Policy. Auto insurers may offer alternative policies if approved in advance by TDI.

1. Liability Coverage

Pays: Other people's expenses for accidents caused by drivers covered under your policy, up to your policy's dollar limits. These may include the other persons:

- medical and funeral costs, lost wages, and compensation for pain and suffering
- car repair or replacement costs
- auto rental while their car is being repaired
- punitive damages awarded by a court.

Liability insurance also pays attorney fees if you are sued and bail up to \$250 if you are arrested.

Covers: You, your family members, and other people driving your car with your permission, even if they don't have their own liability insurance and are not named on your policy. You and your family members also are covered when driving someone else's automobile - including a rental car - but not a car that you don't own but have regular access to, such as a company car.

2 Medical Payments Coverage

Pays: Medical and funeral bills arising from accidents, including those in which the victim was a pedestrian or a bicyclist.

Covers: You, your family members, and passengers in your car, regardless of who caused the accident.

3 Personal Injury Protection (PIP) Coverage

Pays: Same as medical payments coverage, plus 80 percent of lost income and the cost of hiring a caregiver for an injured person.

Covers: You, your family members, and passengers in your car, regardless of who caused the accident.

An insurance company must offer you \$2,500 in PIP, but you can buy more. If you don't want PIP, you must reject it in writing.

4 Uninsured/Underinsured Motorist (UM/UIM) Coverage

Pays: Your expenses from an accident caused by an uninsured motorist or if the other driver did not have enough insurance to cover your bills, up to your policy's dollar limits. Also pays for accidents caused by a hit-and-run driver if you reported the accident promptly to the police.

- a. Bodily injury UM/UIM pays without deductibles for medical bills, lost wages, pain and suffering, disfigurement, and permanent or partial disability.
- b. Property damage UM/UIM pays for auto repairs, a rental car, and damage to items carried in your car. There is an automatic \$250 deductible. This means you must pay up to \$250 of the repairs yourself.

Covers: You, your family members, passengers in your car, and others driving your car with your permission.

Insurers must offer UM/UIM coverage, but you can reject it in writing.

5 Collision (Damage to Your Car) Coverage

Pays: The cost of repairing or replacing your car after an accident, regardless of who was driving or who was at fault. Payment is limited to your car's actual cash value, minus your deductible. Actual cash value is the market value of a car like yours before it was damaged.

6 Comprehensive (Physical Damage Other than Collision) Coverage

Pays: The cost of replacing or repairing your car if it is stolen or damaged by fire, vandalism, hail, or another cause other than collision. Comprehensive coverage also pays for a rental car or other temporary transportation if your car is stolen. Your policy typically won't pay for an auto theft unless you report it to the police. Payment is limited to your car's actual cash value, minus your deductible.

After the Accident... What Now?

Accident Checklist

- Move your car, if possible, to avoid blocking traffic and to protect it from further loss or damage.
- Call the police if somebody is injured or killed, if a vehicle can't be moved, or if the accident involved a hit-and-run driver. Your uninsured motorist coverage pays for a hit-and-run accident only if you report the accident to the police.
- Get the other driver's name, address, telephone number, license plate number, driver's license number, and insurance information. Give the other driver the same information about you. If you have a camera, take photos of the damage.
- Record the insurance company name and the policy number exactly as shown on the other driver's proof-of-insurance card. Similar company names can cause confusion, so make sure you write down the correct company name.
- Get the names, addresses, and telephone numbers of any witnesses to the accident.
- Notify your insurance company as soon as possible. Your company probably has a 1-800 number to report claims. If not, call your agent. The agent or company will advise you about seeing an adjuster and getting repair estimates. Also, give your agent or company the names and addresses of any witnesses and injured persons.
- If you reported your claim by phone, be sure to follow up in writing as soon as possible to protect your rights under Texas' prompt payment of claims laws.
- Send the company copies of the accident report and any legal papers you receive about the accident.
- Cooperate with the company's investigation. You might have to submit a proof-of-loss form and undergo a medical examination.

If the other driver refuses to tell you his or her insurance company, get a copy of the police accident report. The accident report will list the other driver's name and insurance company. If the police did not investigate the accident, you can report the driver's refusal to the police. This could result in a report identifying the driver's insurance company. In addition, the Department of Public Safety keeps files of forms - called SR-22s - that show the insurance companies of people convicted of DWI or driving without insurance. DPS will advise you how to find out if the driver has an SR-22 on file and the name of his or her insurance company.