

TYPES OF INSURANCE

AUTOMOBILE INSURANCE

Automobile Insurance - arrangement between an individual (consumer) and insurer (insurance company) to protect the individual against risk from automobile accidents

Liability insurance

Medical payment insurance

Uninsured or underinsured motorists insurance

Physical damage insurance

Collision

Comprehensive



BODILY INJURY LIABILITY


- *covers injuries to others when the policyholder is at fault in an accident.*
- *Two numbers will be shown on your policy for bodily injury liability coverage (i.e. 250/500).*
 - *The first is the amount the policy will pay toward claims by one person (\$250,000)*
 - *and the second is the total amount the policy will pay per accident no matter how many people make claims (\$500,000).*

PROPERTY DAMAGE LIABILITY

- *covers damage to the property of others if the policyholder is at fault in an accident*
- *The amount of coverage will be shown as the third liability number on the policy (i.e. 250/500/100)*



COLLISION

- *covers damages to the policyholder's vehicle as a result of a collision with another vehicle or object*
 - *Payment is made regardless of who is at fault.*
- 

COMPREHENSIVE PHYSICAL DAMAGE

- *Covers damage to the policyholder's vehicle in situations other than collisions such as fire, theft, and vandalism.*

MEDICAL PAYMENTS

- *Covers the reasonable medical expenses of the policyholder and the policyholder's family in the following situations:*
 - *1. If they're injured while riding in their vehicle.*
 - *2. If they're injured while riding in someone else's vehicle.*
 - *3. If they're struck by a vehicle while walking or riding a bicycle.*

UNINSURED AND UNDERINSURED MOTORIST

- *Covers the reasonable medical expenses of the policyholder and the policyholder's family if they're injured by a*
 - *hit-and-run driver,*
 - *an uninsured motorist,*
 - *or an underinsured motorist.*

YOU DO THE MATH!

Carlos was involved in an automobile accident that resulted in \$3,788 worth of damage to his car.

How much does Carlos pay and how much does the insurance organization pay?

Carlos has a property and liability insurance policy with a \$500 deductible and 0% co-insurance

How much does Carlos pay?

\$500

How much does his insurance organization pay?

\$3,288