

The Michigan Auto Insurance Report

"The Inside Secrets To Buying Auto Insurance"



By:

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THE MICHIGAN AUTO INSURANCE REPORT

My **Free Report** teaches Michigan car and truck owners the necessity of purchasing the proper automobile insurance coverage. All too often, motorists buy what they believe to be "**full coverage**" for their car or truck, only to learn later on that they were not sold the essential coverage to protect themselves in the event of a tragic accident. Because injuries suffered in auto accidents may be catastrophic, **it is necessary to review your auto insurance coverage immediately to learn if you are properly protected in the event of an accident.**

You are not required to have collision coverage on your vehicle and many vehicle owners choose not to purchase this coverage, especially for vehicles that are older and already in a state of semi-disrepair. If you do not buy collision coverage and your vehicle is damaged in an accident, you will have to pay for the repairs to your car even if you were not at fault in the accident. You may be able to recover up to \$500.00 from the other driver or his or her insurance company. **This is called a mini-tort claim.**

REQUIRED INSURANCE

Under Michigan law, car and truck registrations are issued for one (1) year and expire on the owner's birthday. You must register your vehicle at a Secretary of State office if you plan to operate it on public roads. When registering, you will need to provide proof of insurance for at least \$20,000/\$40,000 in liability coverage. When you purchase even the minimum coverage, you automatically receive coverage for Michigan No-Fault Insurance benefits.

Michigan No-Fault benefits include but are not necessarily limited to: (1) **payment of all medical bills** for treatment of injuries arising out the accident; (2) **lost wage reimbursement up to 85%** of an injured person's gross lost wages (there are monthly caps) for the first three years after the accident; (3) **replacement household services** up to \$20.00 per day for the first three years after the accident (4) **mileage reimbursement**; (5) **attendant care services** during the period of recovery.

OPTIONAL INSURANCE COVERAGE

In addition to liability limits, car and truck owners can purchase several optional insurance coverages depending on the insurance carrier. Although this coverage is "optional," it should be considered mandatory by every car and truck owner in Michigan. **No car or truck owner in Michigan should drive his or her vehicle on the streets and highways without having this coverage in place.**

These insurance coverage options protect you, your family members, and passengers in your vehicle in the event of a serious auto accident. Without these types of coverage, you and family members may never be fairly compensated for your injuries.

(1) Higher Liability Limits. Under Michigan law, the minimum liability coverage is \$20,000/\$40,000 for a vehicle. This coverage is what your own insurance company will pay to another person or persons in the event that you or somebody driving your vehicle causes an accident that injures them. It means that the most your insurance company will pay is \$20,000 to a single person or a total of \$40,000 to the total number of people injured in the accident.

Many vehicle owners purchase auto policies with the minimum policy limits of \$20,000/\$40,000. The cost of raising these limits to a much higher amount, even \$100,000/\$300,000, is surprisingly inexpensive. Ask your insurance agent to quote you a price on these higher limits.

These higher limits are important because you can be held personally liable for the amount of a judgment obtained against you that is higher than your insurance policy limits if you are negligent and cause an accident. For example, if you have an insurance policy with liability limits of \$20,000 and you are found liable to an accident victim in the amount of \$100,000, you will be responsible for paying \$80,000 out of your own pocket.

If you have a home or assets, you may face a lien or garnishment proceedings to satisfy the judgment. Your wages and tax refunds can also be garnished to satisfy a judgment. **I recommend that you purchase liability limits with the highest limits that you can reasonably afford.**

(2) Uncoordinated Medical Coverage. Under your auto insurance policy, you receive Michigan No-Fault Insurance Benefits. One of these benefits is Medical Expense Coverage. There is no dollar limit to this coverage and it will last for your lifetime for injuries arising out of a car or truck accident.

Most people purchase a type of Medical Expense Coverage that is called "**Coordinated Medical Coverage.**" Many people have their own health insurance coverage which will cover their medical bills. Under Coordinated Coverage, your health insurance policy will pay your medical bills, and then your auto insurance policy will pay all charges not covered by your health insurance.

You also have the option of purchasing "**Uncoordinated Medical Coverage**" with your auto insurance policy. Under this coverage, your auto insurance policy will be primary for paying your medical bills. This means that your medical expenses will be paid by your No-Fault Insurance Company.

I recommend that you purchase Uncoordinated Medical Coverage. This is very important because many health insurance policies and plans require that you treat with physicians and clinics within their plan. In the event that you suffer serious injuries, you do not want to be limited to your choice of doctors or medical providers. With Uncoordinated Medical Coverage, you are free to choose the best medical team for your care.

Further, many health insurance policies now have limits on the amount of coverage provided by the policy. If you suffer serious injuries in an accident, you may exceed those health insurance limits very quickly and you will exhaust your health insurance coverage with medical bills from the accident. This can cause significant hardship if you exhaust your health insurance policy payment limits for your car accident injuries but have no additional coverage for other medical conditions. If you have Uncoordinated Medical Coverage, then all of your accident related treatment will be paid by your auto insurance company.

(3) Uninsured Motorists (UM) Coverage. *What is uninsured motorists bodily injury coverage?* Very simply, if you are involved in an accident with a car, truck, or motorcycle that is uninsured, then you may pursue a UM claim against your own insurance company for your personal injury damages, up to the amount of the coverage purchased.

This coverage is essential to have because it protects you from uninsured drivers. I recommend that you purchase the MAXIMUM UM coverage available. The reason for this is simple: if you sustain catastrophic injuries as a result of an uninsured driver, then you want the most coverage available to compensate you for your pain and suffering and economic damages. This is especially important because many motorists on our roads and highways have no insurance.

(4) Underinsured Motorists (UIM) Coverage. *What is underinsured motorists bodily injury coverage?* UIM coverage is very similar to Uninsured Motorists Coverage, but it is utilized when a person is injured in a motor vehicle accident, but the negligent driver's insurance coverage is minimal or simply does not reflect the value of the damages sustained by the person.

This coverage is essential to have because it protects you from drivers with the minimum insurance coverage. I recommend that you purchase the MAXIMUM UIM coverage available.

For example, in Michigan, a motorist is only required to have \$20,000.00 in liability insurance coverage. Many Michigan motorists purchase this bare minimum coverage. The amount of \$20,000.00 rarely, if ever, covers the injuries and damages sustained by a person in a serious car accident. **This means that a seriously injured person would only receive a \$20,000.00 settlement for his or her injuries.**

For example, consider a person that sustained damages that are equal to \$500,000.00, but the negligent motorist who caused the accident had only \$20,000.00 in liability coverage. Without UIM coverage, the injured person would only receive a settlement of \$20,000.00. **With UIM coverage, the accident victim could file a UIM claim with their own insurance company to seek the difference between the liability coverage (\$20,000.00) and the amount of UIM coverage purchased (\$500,000.00), meaning they could claim an additional \$480,000.00 from their own insurance company.** On the other hand, if the motorist only purchased \$20,000.00 in UIM benefits, then they would receive nothing from their insurance carrier because they would already have received the \$20,000.00 from the negligent motorist's insurance company.

Final Recommendations

The recommendations in this Report are my own opinions on how to purchase the best possible automobile insurance coverage in Michigan. They are based upon my own experience representing auto accident injury victims for over sixteen years and my expertise on the Michigan automobile no-fault insurance laws.

I feel that it is important to explain these difficult coverage issues in plain English so that consumers can make an informed decision regarding their purchase of auto insurance to best protect themselves and their families. **I strongly suggest that all consumers question their insurance agents on these recommendations and find an auto insurance company that sells these different types of coverage.**

We are a Michigan law firm that counsels injury victims and their families. By handling a small number of select cases, we offer high-quality personalized service to our clients, using experienced attorneys, not paralegals.

We provide free legal books and information to the public and we maintain a superior Web site with frequently refreshed content that includes downloadable, no-cost legal forms and educational videos.

We value our reputation for integrity and skill and enjoy an outstanding track record of success.

To speak with Daniel Buckfire, call (800) 606-1717

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Michigan Auto Insurance Checklist

Use This Checklist When You Purchase Your Auto Insurance

CAUTION!

Under Michigan law, your insurance agent does not have to tell you about the insurance coverage available for your car or truck. Simply asking for "full coverage" does not mean that you will be purchasing the below coverage. It is your responsibility to ask for and purchase this coverage.

Uncoordinated Medical Payment Coverage

Optional Coverage

Recommend: Purchase this coverage

Uninsured Motorists Coverage (UM)

Optional Coverage

Recommend: Purchase the highest limits that you can afford

Underinsured Motorists Coverage (UM)

Optional Coverage

Recommend: Purchase with highest limits that you can afford

Umbrella Policy/Excess Insurance Coverage

Optional Coverage

Recommend: Purchase with highest limits that you can afford

For any questions about purchasing your automobile insurance or your rights after a Michigan car or truck accident, call us at **(800) 606-1717**

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