

What Is Minimum Coverage And Do I Need More?

Minimum auto insurance coverage, in most cases, is not enough to ensure that you are completely protected from the financial and legal responsibilities that may result if you were ever to be involved in a traffic accident. Here are some facts about minimum car insurance coverage and whether it is enough for you.

What Does Minimum Coverage Include?

Minimum coverage is just that-the minimum. The amount of coverage you need to be legally insured as a driver varies depending on where you live. But in most cases it covers you for a very specific amount of liability for any damage you may cause to others' property, or for any medical expenses they incur as a result of an accident in which you are at fault. It does not provide you with any coverage for your own property or medical expenses. In many cases the minimum amount of liability insurance may also not be enough if you are involved in a serious accident, and you will be personally responsible for the amount it costs beyond your coverage.

What Should My Minimum Coverage Really Be?

If you want to keep yourself protected as a driver, but still do not want to pay the high premiums, what types of coverage should you have? In general, it is smart to be sure you have both collision coverage, which will pay for repairs to your vehicle, and comprehensive coverage, which will protect you from natural disasters, theft, or vandalism in addition to your minimum liability coverage. This will protect you from out of pocket expenses for repairs to your own vehicle and any medical expenses you may incur. To keep your insurance expenses under control, choose the highest deductible you can afford.

The purpose of insurance of any kind is to protect you from the expenses of unforeseen and unavoidable life events. Choosing coverage that does this is important, and finding a balance between protection and cost is the best way to do this.