

Automobile Insurance

A Toolkit for Consumers



TOOLKIT

Insurance coverage is an integral part of a solid financial foundation. Insurance can help us recover financially after illness, accidents, natural disasters or even the death of a loved one. But with the wide variety of insurance products available, choosing the correct type and amount of coverage can be a challenge. This toolkit is yours to help insure you obtain the right coverage for you.

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Section 1 What is the Minimum Coverage Required?

The minimum amount of auto insurance coverage needed to obtain a Florida license plate and vehicle registration is \$10,000 dollars in Property Damage Liability (PD) and \$10,000 dollars in Personal Injury Protection (PIP). PD protects property owned by someone else that is damaged by your vehicle. Examples might include another person's vehicle, a telephone pole, or a building. PD liability will never pay for physical injuries. PIP is sometimes called "No-Fault Coverage" and ensures the physical injuries you and certain other people in your vehicle sustain in an accident are covered, regardless of who is at fault in an accident.

The Florida Financial Responsibility Law states that any person who is at fault in an accident that causes bodily injury and property damage to another party must also have Bodily Injury Liability coverage (BI) totaling \$30,000 in addition to the PIP and PD limits listed above. You may choose either split or single limit coverage as long as the total coverage amount is \$30,000 dollars. For example, both \$10,000/\$20,000 (per person/per accident) split limits or a \$30,000 combined single limit would be acceptable. In some instances, the law may require certain drivers to carry higher limits of liability. Drivers convicted of driving under the influence of drugs or alcohol must provide proof of BI coverage in the amount of \$100,000/\$300,000 (per person/per accident) and \$50,000 in PD liability.

Any individual who is in the State of Florida with their vehicle for more than ninety (90) days in the last 365 days is responsible for carrying these minimum limits of coverage. It is important to note the ninety (90) days do not need to be consecutive in order for the law to apply. The Florida Department of Highway Safety and Motor Vehicles regulates the statutes outlined above. Questions about titling or registering your vehicle or further clarification on how Florida's auto insurance laws apply to you should be directed to the Florida Department of Highway Safety and Motor Vehicles. You may visit them online at www.flhsmv.gov or by calling 850-617-2000.



Coverage Descriptions

Bodily Injury Liability (BI)

This coverage will pay for death or physical injuries caused to someone else if you are found [legally liable](#) for an auto accident. As the owner of a vehicle, anytime an accident occurs involving your insured vehicle (whether or not you are driving), the possibility exists that you may be held financially responsible for any damages.

When referring to BI limits of liability, the first number represents the maximum amount your insurance company will pay to each individual injured in a given accident and the second number is the maximum amount that will be paid for all individuals injured in that accident.

Let's look at an example.

You cause an accident and there are two people in the other vehicle. You chose to carry BI limits of \$10,000 per person and \$20,000 per occurrence. Person "A" sustained \$25,000 dollars in injuries and Person "B" sustained \$15,000 in injuries. How will your policy respond?

	Person "A"	Person "B"
Total Injuries:	\$25,000	\$15,000
Their PIP Coverage:	\$10,000	\$10,000
Your Responsibility:	\$15,000	\$5,000
Payment from Insurer:	\$10,000	\$5,000

Making a decision about the amount of coverage you should carry is a personal decision based on many factors. Discussing your coverage needs with a qualified insurance agent can help you better understand your options. It is important to remember that if an accident occurs, and the injuries sustained by another party are beyond the limits of your insurance policy, the injured party has the right to pursue recovery from you through the court system.

Property Damage Liability (PD)

PD liability pays for damage to another person's property caused by you or someone else operating your insured vehicle. Most often this coverage will be used to repair the other automobile(s) involved in an accident with your insured vehicle. It can also be used to pay for damage to street signs, mailboxes, buildings or other property owned by another party.

Uninsured/Underinsured Motorist (UM)

This coverage is optional but provides some important benefits to you and other people in your insured vehicle who sustain injuries in an accident caused by an uninsured or underinsured motorist. The coverage works in conjunction with your mandatory PIP coverage to pay for additional medical expenses, lost wages, pain and suffering and other expenses that might arise when an injury is sustained. Once coverage has been triggered, benefits will be paid directly to the injured person to be used in any manner they deem necessary.

You may wonder why you might need to carry UM coverage if you have PIP and health insurance since after your PIP coverage is exhausted your health insurance will pay your remaining medical bills. You may still face your health insurance deductible, co-payment, and other expenses that health insurance will not cover. In some cases where an injury is severe, permanent or requires a longer recovery time it can be very important to your quality of life and financial health to have coverage that will continue to pay for lost wages, services now required like lawn maintenance or housekeeping, pain and suffering, or modifications made necessary due to your injury like a wheelchair ramp.

After you make the decision to carry UM you will need to choose the limits of your coverage and decide whether or not you would like to carry [stacked or non-stacked](#) coverage. You may choose to carry limits that either match or fall below your BI limits but may not carry UM limits that are higher than your BI limits. All insurers are required to offer stacked UM coverage. Some insurers will also offer the option to carry non-stacked UM limits but are not required by law to do so. Stacked UM coverage means that the UM limits will increase by the number of vehicles you own, regardless of whether or not they are insured on the same policy. If you chose stacked UM limits of 50/100 and own three vehicles your actual coverage amount is three times higher or 150/300. If you elect non-stacked UM at 50/100 that would be the maximum coverage amount regardless of how many vehicles you own. One other important coverage difference between the stacked and non-stacked option is how the policy will respond if you are injured by an uninsured/underinsured motorist in a vehicle you own but that is not covered for UM under that policy.

Personal Injury Protection (PIP)

You will often hear Florida referred to as a “No-Fault State.” This means that anytime you are involved in an accident you will file a claim on your own policy for any physical injuries sustained, regardless of who is at fault. However, once an injured person reaches the tort threshold they may seek recovery for costs not duplicated by PIP from the at-fault party.

Florida Statute [627.737](#) states that the threshold has been crossed when an injury from a car accident results in significant and permanent loss of important body function, permanent injury, significant or permanent scarring, disfigurement or death.

Florida Statute [626.9541](#) protects consumers from being penalized for filing a PIP claim in a not-at-fault accident.

Florida Statute [627.736](#) details who is covered under your PIP coverage but there are many variables which ultimately determine how your policy will respond in a claim situation.

For example, if you are involved in an automobile accident while in Florida your PIP covers you and members of your household who do not own a vehicle of their own, certain passengers who lack PIP, and certain licensed drivers who operate your vehicle with your permission. This coverage also follows you in Florida while you are a passenger in another person’s vehicle or as a pedestrian or bicyclist. For accidents occurring outside of Florida, but within the United States or Canada, you and other members of your household are covered under your PIP only while operating your own vehicle or a resident relative’s vehicle.

Standard PIP benefits required to be included on all Florida automobile policies include:

- 80 percent of all necessary and reasonable medical expenses incurred as a result of a covered injury, regardless of who caused the accident.
- 100 percent for necessary and reasonable replacement services that are required by an outside person due to the injured person being unable to perform such duties or services. Examples could include but are not limited to: cleaning, cooking, and yard maintenance.
- 60 percent of work loss and has a death benefit of \$5,000. The mileage is usually paid at the standard rate allowed by the I.R.S.

In addition to the standard benefits above, there are some additional PIP coverage options you might choose to purchase. Examples are increased medical expense coverage at 100 percent, 80 percent of lost wages (up to the policy limit), and increased limits from \$10,000 to \$20,000 or more.

Not all insurance companies will offer the increased limits discussed above; however, all companies are required to offer deductibles for PIP and the option to exclude work loss. Florida Statute [627.739](#) states that insured's have the right to reject work loss benefits in exchange for a premium reduction. This rejection can apply to the insured only or to the insured and dependent relatives living at their residence. You may also choose to carry a deductible of \$250, \$500 or \$1000 for your PIP coverage. The deductible may apply to only yourself, or to yourself and other members of your household. It is important to remember that if a deductible is elected all PIP benefits are subject to that deductible, except the death benefit.

PIP coverage can be complicated. It is important to inform your agent or insurer of all members of your household and regular operators of the vehicle both when you initially purchase your policy, and throughout the policy term as household members change. Any special circumstances or concerns you have should be discussed with your agent or company in order to best determine how your policy will respond during a claim and what coverage options make the most sense for your personal situation.

Medical Payments

This coverage is optional and pays for reasonable expenses incurred for necessary medical and/or funeral services not covered by PIP because of bodily injury caused by an auto accident. This coverage can be used by you, family members in your household, or passengers in your insured auto and is paid regardless of fault. This coverage follows you and your [resident relatives](#) whether you are injured in your own automobile, in another person's vehicle or as a pedestrian or bicyclist. Medical Payment coverage can be used to pay the 20 percent not covered under your PIP coverage or in some cases, the PIP deductibles you have chosen.

Comprehensive or Other than Collision

This is another optional coverage that protects your insured vehicle against damage from fire, theft, windstorm, vandalism, flood, falling objects or from hitting an animal. With this coverage, windshield glass claims are not subject to a deductible.

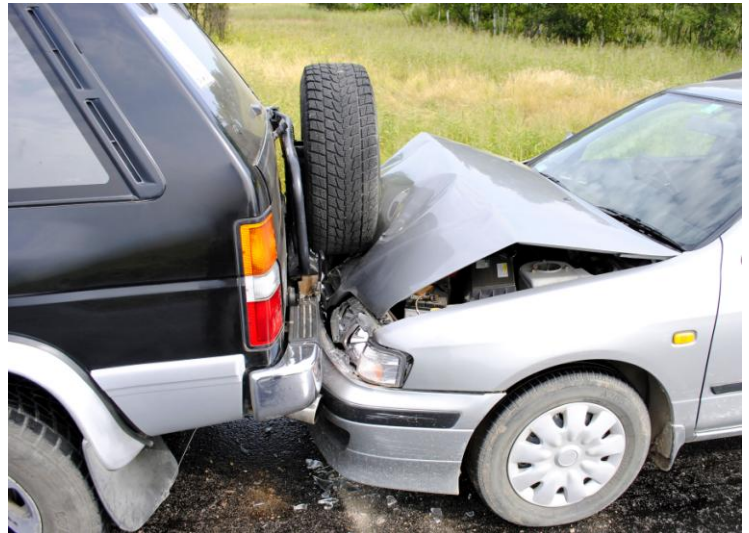
This coverage is usually available even if you elect not to carry Collision coverage.

Common deductible amounts are \$250, \$500, or \$1000. You should check with your agent or insurer to determine what deductible options are available to you.

Collision

Collision coverage pays for the repair or [actual cash value](#) of your insured vehicle if it collides with another vehicle, flips over, or crashes into an object (except animals).

In general, only equipment that is permanently attached to your vehicle is considered for coverage in a Collision claim. Tools and permanently attached tool boxes used in trade or a wheelchair lift or other custom features added by you or a dealer should be discussed with your agent or insurer.



Common deductible amounts are \$250, \$500 and \$1000 and you are generally required by the insurer to carry Comprehensive/Other than Collision coverage on a vehicle in order to carry Collision coverage.

Rental Reimbursement

You may choose to carry rental reimbursement on your insured vehicle if you also have Comprehensive and Collision coverage on that vehicle. In the event of a covered loss, your insurer will reimburse you for car rental expenses up to the limits specified in your policy contract. Your insurance company is not responsible to pay for a rental vehicle unless there is a covered claim that triggers the need for a rental car.

While some insurers may pay for your rental car in advance, eliminating the need for you to pay out of pocket initially, this is a courtesy to you as a policyholder and they are not required by law to do so. In fact, most policy contracts state that the insured must pay for the car rental in full and then submit the receipts to the insurer for reimbursement.

Towing

Towing and Labor Coverage can be elected on your personal automobile insurance policy. It provides coverage for emergency road service (at the scene) and towing up to the limits shown on the policy. However, it is important to remember that frequent towing claims can affect your coverage in a negative way. Insurance company's have the right to cancel your policy for too many claims, even if they are low dollar towing claims not associated with an accident. Some policies pay on reimbursement bases only while others will send out a contracted towing company.

Insurance Requirements for Special Cases

Financed Vehicle

Most loan agreements require you to maintain Comprehensive and Collision coverage for the term of the loan and to list the lender as a loss payee on the policy. This protects the financial interests of the lender and also guarantees that the lender will receive notification anytime the policy is changed or is pending cancellation. Some lenders offer insurance coverage issued by a specific insurer but they cannot require you to buy insurance from a particular company, agent or lender. They can however limit the amount of the deductible you can choose. As with any contract, it is important that you understand the terms of your loan agreement and your responsibilities as a party to the contract before signing it.

If you do not maintain the coverage specified in your loan agreement, the lender has the right to buy insurance to protect its interests. It is important to understand that when the lender purchases [force placed coverage](#) they are considered the insured on the policy and you have no protection or rights to recovery under the policy. This means that if there is an accident and you or a driver of your vehicle is found at fault, you can be held legally liable for the damages. In addition, force placed policies typically do not meet the requirements for coverage dictated by the Department of Highway Safety and Motor Vehicles. In addition, the cost of the force placed policy will be passed on to you and may increase the number and/or amount of your monthly payments. Generally, you pay less when you buy your own coverage. You should keep coverage records until you pay off your debt and receive the title. Keep proof of coverage in your automobile, since you may need it at any time.

Leased Vehicle

Florida Statute [324.021](#) requires you to carry higher limits of coverage if you are under an agreement where you will lease a vehicle for one year or longer. The requirements are that you must carry BI limits of \$100,000/\$300,000 and \$50,000 PD or a combined single limit of \$500,000. You should also carefully review the lease agreement to identify any additional requirements that are part of the contract between you and the [lessor](#).

Motorcycles

A special policy is required for motorcycles which can not be added to an existing auto policy. Most of the coverage offered on an auto policy can also be purchased on your motorcycle policy; however, PIP is not available to purchase. Since PIP is only required for self-propelled vehicles with four or more wheels registered or licensed in Florida, motorcycles do not fall under the requirements of the PIP law.

Oftentimes, the most expensive coverage to purchase when insuring a motorcycle are the ones that insure you or a passenger against physical injuries; namely medical payments or uninsured/underinsured motorist coverage. It is important to understand that if you elect not to carry these coverages, your PIP will not extend from your auto policy to cover you. The other party may or may not have adequate coverage if they are at fault. This means your health insurance, if you have it, will be primarily responsible for your medical bills.

Florida law allows motorcycle drivers 21 and older to operate or ride a motorcycle without wearing protective headgear as long as they have at least \$10,000 in appropriate health insurance or medical payments coverage. Drivers or passengers who are under the age of 21 are required by law to wear a helmet.

Many motorcycle owners or dealers make modifications or customize their bikes in some way. Be sure to check with your agent or company representative to be certain that your policy will cover these additional features. In some cases, a separate endorsement may be required.

College Students or Part-Time Residents

Any person who has a motor vehicle in Florida for more than 90 days during a 365 day period must buy PIP and PDL insurance. The 90 days need not occur consecutively. If you are a Florida resident who will attend college in another state but use a motor vehicle that will remain registered in Florida, you must continue to carry PIP and PDL coverage on the vehicle.

Questions related to vehicle registration, tags, or driver's license requirements should be addressed to the Florida Department of Highway Safety and Motor Vehicles. You may visit them online at www.flhsmv.gov or by calling 850-617-2000.

Military Personnel

If you are in the military and have a Florida vehicle garaged out of state, send a copy of your orders and a copy of the insurance policy from the state in which you are based to the Florida Department of Highway Safety and Motor Vehicles. This will prevent the suspension of your tag and license.

If you are called to active duty and will serve outside the United States in an emergency situation you are exempt from carrying PIP and PDL as long as you remain outside the United States and allow no one else to use your automobile. You must request this exemption from your insurer in writing and notify the Florida Department of Highway Safety and Motor Vehicles (DHSMV).

Make sure to inform your insurance agent of your current status and any changes to ensure you are in compliance with all statutory and contractual requirements and that you are receiving any discounts that may be available to you as a member of the United States Armed Forces.

Vehicle Used for Work

A personal auto policy typically will not provide coverage for a vehicle being used for business purposes. It is critical that you discuss any business use of your vehicle with your agent to determine if coverage can be extended via endorsement or if a new policy needs to be issued. Each insurer will have their own underwriting guidelines and what is acceptable for one company may not be acceptable by another. The details of your specific situation must be evaluated to ensure you have the appropriate coverage in place. Failing to do so can result in coverage being denied if an accident occurs and policy cancellation for [misrepresentation](#).

Renting a Vehicle

It's best to check with your agent or company representative prior to renting a vehicle to determine if your auto policy coverage will transfer to the rental vehicle. What kind of vehicle you rent, how it will be used, where it will be driven, and the limits of your own coverage are all factors that determine if coverage will extend from your personal auto policy to the rental vehicle.

Section **2** Underwriting Guidelines

Insurance companies use underwriting guidelines to determine whether or not they will issue a policy to a consumer and if so, what they will charge them. Each insurer has their own standards and evaluates the information you provide them in an application or when requesting a quote against those standards. Underwriting guidelines protect consumers as well as insurers by ensuring that everyone who applies for coverage is held to the same standard.

Underwriting Factors That Can Not Affect Your Ability to Purchase Insurance

Florida Statute [626.9541\(x\)](#) states that an insurance company cannot refuse to insure or continue to insure an individual or risk solely because of the following:

1. Race, color, creed, marital status, sex, or national origin;
2. The residence, age, or lawful occupation of the individual or the location of the risk, unless there is a reasonable relationship between the these;
3. The insured's or applicant's failure to agree to place collateral business with them, unless the coverage applied for would provide liability coverage which is excess over that provided in policies on property or motor vehicles;
4. The insured's or applicant's failure to purchase non-insurance services, including automobile vices as defined in s. [624.124](#);
5. The fact that the insured or applicant is a public official; or
6. The fact that the insured or applicant had been previously refused insurance coverage by another insurer.

Underwriting Factors That Will Affect Your Insurance Policy

Insurance companies use a variety of factors to determine how much you will pay for your car insurance based on the level of risk to the company. Not all companies consider the same factors with equal weight, which is why it is important to shop for the best possible rate. Here are the main factors that affect your premiums.

Type of Vehicle – Model, Year and Value

Expensive or high-performance vehicles generally cost more to repair or replace. Such vehicles may also be inviting targets for thieves or vandals. Insurers will usually charge a higher premium for coverage of these vehicles.

Driving History – Past Accidents and Violations

Insurance companies consider drivers who have had an accident or received convictions for driving violations as high risks. An insurer may choose to issue your policy at a higher rate or may refuse to issue a policy at all, depending on the number and type of violations.

Vehicle Usage

The distance you live from your workplace or school may affect the cost of your insurance because it determines your daily exposure to risk. Increasing or decreasing the number of miles driven each year can cause your premiums to increase or decrease. Also, changing vehicle usage (i.e., from personal to commercial) can affect the amount you must pay for coverage.

Territory

Insurers consider vehicle and population density, road conditions, repair rates, medical and hospital costs, and the number of accidents in a particular area.

Gender

Statistics show that males suffer more than twice as many fatal accidents as females. Insurance companies typically charge higher premiums for males, especially those younger than 25.



Age

Statistically, Florida drivers younger than 25 or older than 65 make up a larger share of people involved in accidents, and this is factored into the decision to charge higher premiums.

Credit History

Under the Federal Fair Credit Reporting Act, credit reports can be used for insurance underwriting. However, there are situations the insurance company may not use when reviewing a person's credit history. A list of these can be found in Florida Statute [626.9741](#).

Other Factors Affecting Your Premiums

Company Specific Discounts

Some companies will offer discounts to younger insured drivers who attend a Driver's Education class or maintain a certain grade point average. Senior operators may qualify for a discount after taking classes designed for them such as "Arrive Alive 55." Many companies also offer discounts to policyholders with driving records free of accidents and violations for an extended period of time. You should check with your agent or insurance company to find out what discounts are available and what documentation you will need to provide in order to qualify.

Retirees

If you have retired or do not earn wages, you may consider reducing your premium by excluding coverage for wage loss from your PIP insurance. You should take into account how this step will affect other family members living with you. Check with your insurance company or agent to determine if the reduction in coverage is worth the discount.

Deductible

You may choose to increase your deductible in order to reduce your premium, but remember that you must pay it each time you submit a claim. Carefully consider how much of a discount you will receive for a higher deductible and how much you can afford to pay for each claim.

Older Vehicles

You may choose to drop collision and/or comprehensive coverage on older vehicles because of their decreased value, unless a lien holder, such as a bank, requires it.

Restraint Systems and Anti-Theft Devices

Companies may offer discounts for certain equipment such as anti-lock brakes, air bags, anti-theft devices or vehicle-recovery systems.

Shopping for Auto Insurance

When shopping for insurance it is very important to provide the agent or company with the most accurate information possible. For example, failing to disclose all licensed persons in your household or regular operators of your insured vehicle can not only result in an inaccurate quote, but could cause you to not be covered in a claims situation due to [misrepresentation](#). Your agent or company must strive to provide you with correct information and may not intentionally mislead you by quoting a lower price just to get your business.

Remember that a quote is an estimate of how much insurance with a particular company will cost you and may be subject to change. If you find that your rate has increased once the policy has been issued you have the option to pay the additional premium or to cancel the policy. An insurance company should be able to complete their underwriting of the auto insurance application, and issue the policy within 60 days.

Don't be scammed out of your hard-earned money. Before buying insurance, make sure you select an insurance agent with whom you feel comfortable and who will be available to answer your questions. You should also verify whether the insurance agent and the insurance company is licensed to sell insurance in Florida by calling the Department of Financial Service's Consumer Helpline toll-free at 1-877-My-FL-CFO (1-877-693-5236). Be sure to have the full name of the insurance agent and the insurance company when you call.

Actions to Take Before and After an Auto Accident

An automobile accident, like other unexpected events, can cause a great deal of stress and frustration. You can ease that stress by taking steps to make sure you receive fair compensation for your financial and material losses. The following tips can help you before and after an accident, and during the repair and claims processes.

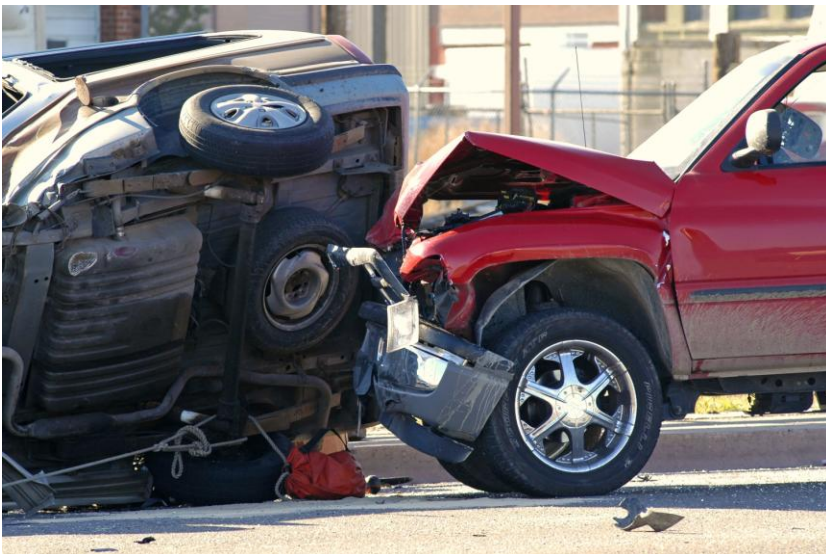
Before an Accident – Be Prepared

- Understand your insurance coverage and how it will operate in the event of a claim.
- Know the names, phone numbers and mailing addresses of your insurance company and agent.
- Always carry your insurance card, the wallet-sized card issued by your insurance company with your policy number and coverage information on it, with you. Don't forget to make a copy to keep in your car along with your automobile registration.
- Take the time to get to establish a good working relationship with a reputable repair shop. This will increase your likelihood of receiving quality, comparable parts to replace those damaged in an accident and make the repair process much easier.

After an Accident – Filing a Claim

When filing a claim on your automobile insurance, you should take the following steps:

- Always report an accident to the police, regardless of how minor it seems. What looks like a small dent or scratch could actually cost several hundred dollars to repair. Make sure the police officer gives you a copy of the driver Exchange of Information Form.
- Write down names, addresses and phone numbers of any witnesses in case your insurer needs to contact them later.
- Call your insurance company and agent immediately for further instructions. The insurer may deny payment of your claim if you do not report the accident in a timely manner.



An insurance company is responsible for the proper, timely and reasonable investigation of claims. The insurer must let you know in writing if it will deny and/or investigate your claim within 30 days after receiving completed proof-of-loss forms. The company must also provide you with a reasonable explanation for denying your claim. The insurance company may void your policy from its effective date and refuse to pay a claim if you withheld information on your application that would have caused a coverage denial or change in the premium charged.

Settling Your Claim

Before you start repairs, make sure the insurance company confirms coverage. You should receive a prompt and fair settlement on your claim. Remember that the claims process is a negotiation between you and the insurer. For a totaled car, your insurance company may offer you a cash settlement based on the actual cost to purchase a comparable automobile, one made by the same manufacturer, in the same model year, of a similar body type and with similar options and mileage or the company may elect to offer you a replacement vehicle.

The insurance company must have documentation in its file to justify their decisions. In some cases, your insurance company will send an adjuster to inspect your automobile before you obtain any necessary repairs. In other cases, your insurer will instruct you to obtain an estimate for the work. Find out from your company what to do about supplemental damage in case the repair shop finds something caused by the accident that is not listed on the original estimate. When settling your claim, your insurance company may reduce your claim payment for prior damage such as a dent from a previous accident.

If your vehicle is deemed a total loss the insurer must take all reasonable steps to verify that the value you receive for your automobile accurately represents comparable automobiles in your area. Your insurance company cannot require you to travel an unreasonable distance to inspect a replacement automobile. In these types of claims you might not receive enough money to replace your car or even completely pay off your auto loan. An insurance company is only responsible for paying the [Actual Cash Value \(ACV\)](#) of your vehicle at the time of the loss.

Per Florida Statute [627.7401](#) your insurance company must provide you with a notice of your rights when you file a PIP claim. This notice will include items such as a list of your PIP benefits, exclusions and limitations, and payment deadlines. Your insurance company must pay you or the service provider within 30 days upon receipt of proper written notification of the PIP loss amount. If not, you or your provider will collect interest on the amount of your loss until you receive payment.

During the Repair Process

You have the right to select the repair shop to repair your automobile after an accident. However, if you choose your own repair shop the insurance company will not guarantee the work or be responsible for delays in completing the repairs.

If you must keep your car in storage until repairs are made, the insurance company must provide you reasonable notice before terminating payment of storage charges. When towing is provided by the policy, the insurance company must cover the towing cost of the company you selected, subject to policy limitations, unless they provided you with the name of another towing company before you chose one.

The insurance company must repair your automobile with parts at least equal in kind and quality to the original parts. In some cases, after market parts may be used. An aftermarket accident part is a replacement for any of the non-mechanical sheet metal or plastic parts which generally constitute the exterior of a motor vehicle, but can include inner and outer panels. They are parts that are not manufactured by the original automobile maker.

Is Your Car Ready?

Check ALL repairs afterwards, both at the shop and again at home. Also, get a copy of the itemized repairs on a form printed with the repair shop's name and address. If you have a problem with a body shop, you may request assistance from the Florida Department of Agriculture and Consumer Services at 1-800-435-7352.

Section **3** Actions to Take Before and After an Auto Accident

Disputing Claim Settlements

Not At-Fault Accidents (Third Party Claims)

When an accident occurs, and the other party is at fault, you should contact their insurer to file a claim against their policy as well as notifying your own insurer of the incident. The other party's insurance company has a right and responsibility to investigate the claim and the fact their insured was ticketed does not necessarily determine fault. Florida is a Comparative Negligence State. This means that each party can share in the negligence that caused the accident.

Most insurance companies record statements of insureds, claimants and witnesses to preserve information. This speeds up the claim process, is a part of most claims investigations, and is not an unusual occurrence. In some cases, the other party's insurer may have difficulty in obtaining a statement from their insured. If the other party does not cooperate with their insurance company during the claim investigation, the company may deny the claim. This is because an insured has the contractual obligation to assist the insurer in investigating the claim. In this case, you may file the claim with their own insurance company (if coverage is available), or file a civil action against the individual that caused the damages.

If you elect to have your insurance company pay the claim for your vehicle damage when another party is at-fault, your insurer may recover the amount they have paid in damages, including your deductible, from whoever caused the accident in a process called subrogation. It is essential that if you choose to file the claim with your own insurer that you do not sign or authorize any release of liability provided to you by the at-fault insurer. It is a good idea to check with your own insurer before signing anything given to you by the other party's insurer.

Appraisal Clause

When you and your insurance company cannot agree on the amount of a claim, either may invoke the [appraisal clause](#) in your policy. This can be done if the company offers you an unsatisfactory settlement offer. Each party chooses an appraiser. If the two appraisers do not agree, they will choose an umpire. An agreement of two of these is binding on the insured and insurance company. Each party pays its appraiser and shares all other expenses relating to the appraisal process including the umpire. This is a contractual provision outlined in your policy. You may want to review your policy provisions for additional information.

Mediation

If you are unable to come to an agreement with the insurance company you may want to consider [mediation](#). The disagreement may involve a bodily injury claim of less than \$10,000 or a property damage claim of any amount. This is considered a non-binding process and is considered an Alternative Dispute Resolution that can be tried prior to settling with the insurer, filing a lawsuit, or requesting appraisal with your own carrier. For more information about the mediation program offered through the Department please review our online brochure at: <http://www.myfloridacfo.com/Consumers/mediation/index.htm>.

Section

4 Shopping for Coverage Checklist

When shopping for insurance use the coverage checklist provided below as a tool to compare different companies. Also, verify whether the agent and/or company is licensed to sell insurance in Florida by calling the Florida Department of Financial Services at 1-877-MY-FL-CFO (693-5236) or by visiting www.MyFloridaCfo.com.

(1st Choice)

Company Name: _____

<i>Example Policy Limits</i>	<i>50/100/50</i>	<i>100/500/100</i>
Bodily Injury/PD (minimum \$10,000 / \$20,000)		
Personal Injury Protection (PIP) (minimum \$10, 000)		
Medical Pay	\$	\$
<i>Example</i>	<i>Stacked</i>	<i>Non-Stacked</i>
Uninsured/Underinsured Motorist	\$	\$
<i>Example</i>	<i>250</i>	<i>500</i>
Comprehensive (Deductibles)		
<i>Example</i>	<i>250</i>	<i>500</i>
Collision (Deductibles)		
Rental Reimbursement	\$	\$
Total Premium	\$	\$

Additional items to discuss with your agent:

Optional Equipment on Vehicle: _____

Regular Operatros: _____

Driving Record: _____

Notes: _____

(2nd Choice)

Company Name:

<i>Example Policy Limits</i>	<i>50/100/50</i>	<i>100/500/100</i>
Bodily Injury/PD (minimum \$10,000 / \$20,000)		
Personal Injury Protection (PIP) (minimum \$10, 000)		
Medical Pay	\$	\$
<i>Example</i>	<i>Stacked</i>	<i>Non-Stacked</i>
Uninsured/Underinsured Motorist	\$	\$
<i>Example</i>	<i>250</i>	<i>500</i>
Comprehensive (Deductibles)		
<i>Example</i>	<i>250</i>	<i>500</i>
Collision (Deductibles)		
Rental Reimbursement	\$	\$
Total Premium	\$	\$

(3rd Choice)

Company Name:

<i>Example Policy Limits</i>	<i>50/100/50</i>	<i>100/500/100</i>
Bodily Injury/PD (minimum \$10,000 / \$20,000)		
Personal Injury Protection (PIP) (minimum \$10, 000)		
Medical Pay	\$	\$
<i>Example</i>	<i>Stacked</i>	<i>Non-Stacked</i>
Uninsured/Underinsured Motorist	\$	\$
<i>Example</i>	<i>250</i>	<i>500</i>
Comprehensive (Deductibles)		
<i>Example</i>	<i>250</i>	<i>500</i>
Collision (Deductibles)		
Rental Reimbursement	\$	\$
Total Premium	\$	\$