

# *A Legal Update*

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## **Buying The Right Auto Insurance**

Understanding the many provisions of your auto insurance policy can be as difficult as negotiating Boston roads during the Big Dig. Once you understand the twists and turns you can get to your destination more efficiently. The following information may help direct you toward a better use of your insurance dollar.

### **What the law requires:**

The insurance coverage that the law requires is called “compulsory insurance” (provisions 1 through 4 of your policy). This coverage is required when you register a car in Massachusetts. Compulsory insurance provides coverage up to a maximum of \$20,000 for someone injured by your negligence and a maximum of \$5,000 for their property damage (for example: car, lawn, building). Your own injuries and losses will be covered for medical expenses and lost wages up to \$8,000. If you are injured by a negligent driver who has no insurance, you will be entitled to a maximum of \$20,000 from your own insurance company even if your injuries are severe and/or permanent.

This compulsory coverage is often insufficient to cover the injuries and property damage caused by the negligent operation of your automobile. Your own assets can be taken from you if an injured person’s damages exceed your coverage. This unfortunate situation can be avoided by the purchase of certain additional optional coverage.

### **Insurance you can choose:**

Fortunately you are able to add to the compulsory provisions by purchasing “optional insurance” (provisions 5 through 12 of your policy). You can increase the bodily injury coverage from \$20,000 up to \$250,000 with most insurance companies. This will provide you with protection if someone in another vehicle is seriously injured while you or someone with your permission operates your car negligently. This additional coverage is critical if you have personal assets such as savings, real estate, investments, or a business that you wish to protect.

You may also purchase optional insurance for protection if you are injured by someone who does not carry sufficient insurance. This coverage can be increased

from the compulsory \$20,000. up to \$250,000. with most insurance companies. This will pay for your injuries, medical costs, and lost wages. Generally it is far easier to be reimbursed for your losses in this manner, than to bring a claim against the personal assets of the negligent driver.

Optional coverage is also available for property damage, collision, towing, substitute transportation, fire, theft, vandalism and medical benefits. All of these are worth considering when you renew your coverage. The cost is often worth the extra protection that you receive.

### **If you are involved in a motor vehicle accident:**

In addition to obtaining the correct insurance, there are certain steps to take when an accident occurs. Although not every situation is the same, the following recommendations generally apply:

#### **DO'S**

- Notify your insurer immediately
- Complete and file a motor vehicle accident report
- Obtain receipts and keep records of expenses incurred as a result of the accident
- Take photographs of your motor vehicle showing the damage
- Take photographs of any visible personal injury you may have received
- Keep a record or journal of all damages, pain or inconvenience suffered
- Consult with your attorney

#### **DON'TS**

- Do not give a statement to the other driver's insurance company without your attorney's advice
- Do not pay for any ticket or citation if you do not agree that you are responsible