



Are You Covered?

MA Auto Insurance Basics

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When purchasing auto insurance, make sure you protect yourself as well as other motorists. What insurance do you have if you are involved in a hit and run accident? What if the driver that hits you has only the minimum liability insurance coverage of \$20,000 per person/\$40,000 per accident? Unless you buy more than the Massachusetts compulsory limits, the answer to the first question would be “only \$20,000 for your injuries”, and “none” to the second question. Similarly, if you buy greater than the compulsory limits of liability coverage to protect other drivers from injuries you may cause, then also protect yourself by buying similar increased limits of Uninsured Auto coverage and Underinsured Auto coverage.

In Massachusetts, the required standard auto insurance policy contains compulsory and optional types of coverage. These include:

- Bodily Injury Caused By An Uninsured Auto (Part 3)

This coverage protects you, anyone you let drive your car, household members and passengers (unless covered by another Massachusetts policy with similar coverage) against bodily injury caused by an uninsured or unidentified (hit-and-run) driver. A minimum limit of \$20,000 per person and \$40,000 per accident is compulsory. At a national level, where not all states require auto insurance, the Insurance Research Council reports that about one in seven at-fault drivers in collision with another vehicle are uninsured. The numbers should be lower in this state where insurance is

required, but there are still more uninsured drivers out there than you think. If you are a victim of a hit and run accident, it is important to file a police report so that the accident is on record.

- Bodily Injury Caused By An Underinsured Auto (Part 12)

Where an accident and subsequent injury is caused by someone without enough bodily injury coverage on their own vehicle to compensate you, they are considered underinsured. This coverage pays for bodily injury damages to you, household members and passengers, unless they have a policy of their own, or are covered by a Massachusetts auto policy of another household member with similar coverage. This coverage also provides protection if you are hit as a pedestrian, (a bicyclist is considered a pedestrian). It will pay you for damages in excess of the responsible driver's coverage up to the limits that you purchased for this coverage.

Since many people buy only the minimum required amounts of insurance for bodily injury to others, selecting higher underinsured limits may protect you from incurring substantial personal injury expenses. You may purchase coverage up to, but no more than, the limits of the bodily injury to others coverage you carry, so you may need to increase those coverages as well.

How do these coverages work? Let's say you have an accident where you are not at fault and the other driver has no insurance. You have a bad leg fracture which requires surgery now to put in a metal plate and later to take it out. Even when healed, your leg will have permanent limitations. You will be out of work for months. Fortunately, you were the only one in your car. If you had purchased uninsured coverage with limits of \$100,000/\$300,000 coverage, you would have up to \$100,000 available to compensate you for your injuries and damages, including lost wages, pain and suffering. If, on the other hand, the responsible driver had the minimum \$20,000 limits, then you would have an additional \$80,000 available to compensate you. The amount of compensation for your injuries and damages is initially negotiated with your insurance company. If you cannot agree on the compensation then the matter is decided in an out of court procedure called arbitration. Be warned that if you fail to

buy appropriate coverage in the first place then you are at the mercy of the other driver's insurance and financial condition.

Be sure to consult with your insurance agent about what level of coverage is right for you. You will find that uninsured and underinsured coverage is inexpensive and vital protection. Remember, insurance companies generally will not pay any more than they have to. When an accident happens you should talk to an experienced attorney about your rights.

The information presented in this article reflects the personal views of the author and should neither be construed as formal legal advice nor the creation of an attorney-client relationship.

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