



## Preventable Oversights

Too often homeowners concern themselves with what is covered rather than what is not covered by home insurance. The first step in avoiding a real life nightmare is to take out your homeowner's policy and turn to the section labeled "Exclusions." This is the place where homeowner horror stories are born. Your policy's exclusions spell out in more or less plain English what is not covered. When reviewing your exclusions you will have to make certain value judgments about what risks are worth the expense of adding insurance to cover them and what are not.

Some of the gaps in coverage can't be filled at any price, like the exclusion for intentional loss. This means something you did on purpose to cause a loss. Others may not pose a significant risk for where you live and are just not worth the expense to protect against. These include things like nuclear hazards and acts of war (including undeclared, like terrorism and civil wars).

## Flood Insurance

Water is one of the most powerful forces in nature and even a small amount can cause catastrophic damage to a house. Homeowner's insurance companies almost never cover flood insurance at any price. I say almost because they will provide coverage for very high value property (\$10 million or more) as a courtesy to exclusive customers.

In order to protect your home from flood damage resulting from tidal surge, stream and river flooding, groundwater and rain you will have to purchase a separate flood insurance policy from the federal government.

Rain can be a tricky subject with homeowner's coverage because it can be covered in some cases but not others. For example if your roof gets damage in a windstorm and rain gets in you're covered. Unless you live in a hurricane exclusion zone in which case you will not be covered unless you have hurricane coverage.

**Find out now:** Is it better to buy or rent?

## Speaking of Water

Moisture can cause mold to grow and mold can be an expensive problem to get rid of. Mold like rain is one of those issues that really depend on the circumstances as to whether or not it is covered. Mold that

## **Types of coverage**

There are many different types of coverages available to meet your auto insurance needs. Some are required and some are optional. Here are brief descriptions of the available coverages:

### **Liability**

Washington state requires liability coverage. This covers bodily injury and damage to property that you cause to others while using your car.

### **Personal injury protection**

This covers a limited amount of medical and hospital costs, income continuation, funeral expenses, and loss of services. Coverage limits are defined in the policy.

(more details on this below under **What is PIP?**)

### **Medical payments**

This covers medical and funeral expenses (not all companies offer this coverage).

### **Uninsured/underinsured motorist bodily injury**

This covers injuries an uninsured or under-insured driver causes to an insured person.

### **Uninsured/under-insured motorist property damage**

This covers property damage an uninsured or under-insured driver causes to your insured car.

### **Collision coverage**

This covers damage to your car that is caused by a collision.

### **Comprehensive coverage (other than collision)**

This covers damage to your car -- except by collision. For example, this covers your car if a tree falls on it or someone vandalizes it.

### **Emergency road service**

This covers towing when your car breaks down.

### **Car rental expense**

If you have a claim that is covered under your auto policy, this coverage pays to rent a car. Be sure to check your policy for any limitations.

### **Death, dismemberment and loss of sight**

This pays for death and certain injuries to people named in your policy due to an auto accident.

### **GAP coverage**

In the event your vehicle is a total loss, this pays the difference between the current market value of your auto and the amount you still owe the lender.

### **Custom equipment coverage**

This covers direct and accidental loss to custom furnishings or equipment.

Many companies also offer other endorsements (additional coverage). Ask your insurance agent or broker about:

- Trailer/camper body coverage
- Snowmobile coverage
- Limited Mexico coverage

## Personal Injury Protection ( PIP )

Personal injury coverage pays for medical and hospital expenses that result from the accident no matter who is at fault. It can also help you with other expenses while you are hurt. These can vary state to state, but can include income replacement, loss of services on work you can't do yourself, funeral expenses and expenses of child care.

## Washington State Auto Insurance Requirements

### What is the Mandatory Auto Insurance Law?

The law requires anyone driving a car in Washington state to have an insurance liability policy, a certificate of deposit, or a liability bond to the required limits. If you have 26 or more cars, you may self-insure.

Under the law, you're required to have a car insurance liability policy with

limits of at least 25/50/10. This means:

\$25,000 for injury to another person

\$50,000 for injuries to all other persons

\$10,000 for damage to another's property

The image shows a mobile application interface for getting insurance quotes. At the top, it says "Quote Now" in a dark header. Below that, the text reads "Comparison Shop 15 Insurers Instantly" and "No Broker Fees, Ever!". There is a "Location:" label followed by a dropdown menu currently showing "Washington". Below the dropdown is a large "Go" button with a magnifying glass icon. At the bottom of the screen, there are small icons for a phone and a home button.

You must carry the same auto liability insurance limits if you choose to buy a bond instead of an auto insurance policy. If you use a certificate of deposit, you must deposit \$60,000 in cash or securities with the Office of the State Treasurer. If you're insuring 26 or more cars, you can self-insure through the Washington State Department of Licensing.

### Proof of insurance

If you're stopped by a law enforcement officer, you must present an insurance identification card showing that either the car is, or you are, insured.

Your auto insurance company must provide you with an identification card when they issue or renew your car insurance liability policy. At your request, the company will provide a card or temporary proof of insurance for each car covered under your policy.

The insurance identification card must include the name of the insurance company, the policy number, and the policy's effective and expiration dates. It must also include a description of the insured car(s) and/or the name of the insured driver.

If you do not carry proof of insurance and you are stopped by law enforcement, the state of Washington considers it a traffic infraction. You will receive a \$450 fine and it may go on your driving record. The courts could add other fees to your fines, such as a public safety and education assessment, which is 70 percent of all fines.

### Out-of-state drivers

Even drivers registered in other states who drive in Washington state must comply with Washington's Mandatory Auto

8. **Accident Claims**  
A driving record that is clean and free of accidents will hold far better for you than lots of tickets and/or accidents.
9. **Credit Rating**  
Many insurance companies view having a poor, or even no credit history as suggestive of higher risk and thus, charge you a higher premium. Monitor your credit rating free to see if you can get a better score. A better credit score will save on insurance premiums.
10. **Occupation**  
Insurers have statistically found a correlation between your occupation and risk. For instance, a newspaper delivery person is most likely a higher risk than the personal banker sitting at their desk all day.
11. **Education**  
A higher education can save on your premiums.
12. **Driving distance to work**
13. **Miles driven each year**
14. **Years of driving experience**
15. **Business use of the vehicle**
16. **Whether or not you currently have auto insurance and how high are your limits**
17. **Theft protection devices (often results in discounts)**
18. **Multiple cars and drivers (another opportunity for discounts)**

## **Liability Coverage**

### **Car Insurance Terms and Definitions**

Liability coverage is the part of your car insurance that pays for the bodily injury or the property damage you cause to someone else. Liability insurance is required in all the states. It usually costs less than other kinds of coverage because it will only pay for the damage you cause to another person and not for the damages you suffer yourself.

If you have auto liability coverage and you get into an accident, your insurance policy will pay to repair or replace the other guy's car and also pay any medical bills, up to your set limits. It will be divided into 2 parts - bodily injury coverage and property damage liability coverage.

If you want free, no obligation online quotes on car insurance and more go to:

**Get Insurance Rates Online.com**

### **Medical Payments Coverage**

Medical payments protection is the part of your car policy helps pay for medical expenses for accident-related injuries, no matter who's at fault.

These medical costs may include doctor visits, hospital visits and stays, surgery, x-rays, emergency medical care and ambulance costs. This coverage option covers you, your passengers, and any family members who may be driving the car during the accident. It generally pays more than a health insurance policy would.

# Types of Auto Coverage

Those numbers represent liability limits.

The first number is the maximum coverage for Bodily Injury Liability for one person injured in an accident (thousands). The second number is the maximum coverage for Bodily Injury Liability for one accident (thousands). The third number is the maximum coverage for Property Damage Liability for one accident (thousands).

Therefore, if you have 10/20/10 the maximum liability limits are \$10,000 for Bodily Injury Liability for one person in an accident, \$20,000 for all Bodily Injury liable injuries in an accident, and \$10,000 for Property Damage in

**Bodily**

10 → MAX Per Person

20 → Max For ALL People

10 → Property Damage

- **Liability** - This coverage pays for accidental bodily injury and property damages to others. Injury damages include medical expenses, pain and suffering and lost wages. Property damage includes damaged property and automobiles. This coverage also pays defense and court costs. State laws determine how much liability coverage you must purchase, but you can always get more coverage than your state requires.
- **Collision** - This coverage pays for damages to your vehicle caused by collision with another vehicle or object.
- **Comprehensive** - This coverage pays for loss or damage to the insured vehicle that doesn't occur in an auto accident. The types of damages comprehensive insurance covers include loss caused by fire, wind, hail, flood, vandalism or theft.
- **Medical Coverage** - Pays medical expenses regardless of fault when the expenses are caused by an auto accident.
- **PIP - Personal Injury Protection (PIP)** is required in some states. This coverage pays medical expenses for the insured driver, regardless of fault, for treatment due to an auto accident.
- **Uninsured Motorist** - Pays your car's damages when an auto accident is caused by a driver who doesn't have liability insurance.
- **Underinsured Motorist** - Pays your car's damages when an auto accident is caused by someone who has insufficient liability insurance.
- **Rental Reimbursement** - This type of coverage will pay for a rental car if your car is damaged due to an auto accident. Often this coverage has a daily allowance for a rental car.

Many insurance policies combine a number of these types of coverage. The first step in choosing the insurance you want for your car is to know the laws in your state. This will tell you the minimum insurance you need for your car. It's good to keep in mind that, just because your state