



"Full Coverage" is Really More Like "Minimum Coverage"

Though the basic definition above of "Full Coverage" provides better protection in terms of liability and the welfare of your car than having no insurance would, it doesn't mean that you won't have to pay anything out of pocket after an accident. To help ensure you and your loved ones are covered fully, research all of the other options available to you. As you can see your selection of the coverage and the policy limit amounts you choose can have long lasting consequences for you and your family.

So the next time your agent tries to sell you a "Full Coverage" policy, make sure to educate them on your need to fully protect you and your family with all of the coverages you may need, plus a deductible you can afford. Often just a few more dollars a month can save yourself and your family from the severe financial hardships brought on by motor vehicle accidents.

Talking to Your Insurance Agent

Most responsible insurance agents or brokers do not use the term "Full Coverage" when working with their clients; however, some still continue use of this term to try and make their clients "rest assured" that they have provided them with ALL the insurance coverages they need.

However, after a serious and when you need all the your agent will be the first that you "rejected" these coverages.

Failing to sufficiently cover enough liability coverage being personally pursued amount of money that is compensate an injured just 10 /20 is probably not protect you and assets in the situation that someone in an could lead to including wage large monthly payments, loss of your home and property, and could even lead to you having to file for bankruptcy.



accident occurs help you can get, one to point out options and

yourself with can lead to you for any excess needed to fully party. Carrying sufficient to your family's unfortunate you injure accident. This financial ruin garnishments,



Do You Know What Your Policy Covers?

MISCONCEPTION

A misconception of comprehensive and collision insurance coverage is that they will replace your vehicle with a new one, or at the very least, pay off your loan. **The insurance companies are only responsible to pay you the "fair value" of your car.** This is basically defined as you should be able to purchase a similar vehicle in the same condition for today.

>50 % of Americans don't know basic facts about auto insurance.



* Couch, Christina. (2011, November 10.) What Car Insurance Does and Doesn't Cover. Web. Retrieved from Bankrate.com. <http://www.bankrate.com/finance/insurance/car-insurance-cover-1.aspx>

This brochure was prepared as a Community Service by

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THE MYTH OF FULL COVERAGE

Provided as a Community Service By

BURNETTI, P.A.

WOULD YOU BE SURPRISED TO KNOW "FULL COVERAGE" INSURANCE DOESN'T EXIST?

Throughout the years we have had thousands of clients tell us that they have "Full Coverage". Although this is a term that most people use to describe a combination of Insurance they have purchased, there is actually no such coverage.

Q. What does the phrase "Full Coverage insurance" suggest?

"Full Coverage" is a layman's term that often results in drivers and vehicle owners being woefully underinsured, and provides many people with a false sense of security. There are many different types of insurance, options and levels you can choose or reject. "Full Coverage" is not an actual set amount or type of coverage.

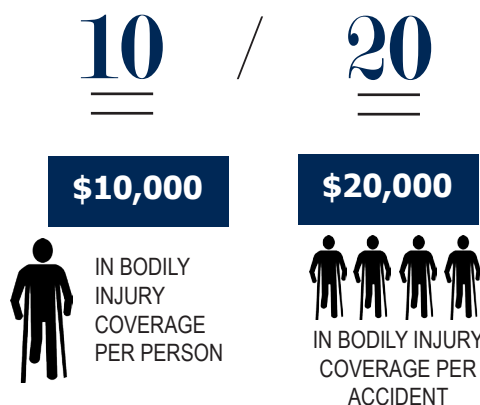
Q. What are the types of insurance the phrase "Full Coverage" is generally used to describe?

A. It is generally used to describe coverages that provide a basic amount of protection, including Bodily Injury Liability (BIL); Personal Injury Protection (PIP), and Comprehensive and Collision coverages (Property Damage).

Bodily Injury Liability Insurance is coverage that helps keep you from personally having to pay money out to someone that you injured in a negligent act. Electing to choose this insurance is very important as in the state of Florida you are not required to carry any Bodily Injury Liability Insurance. **Not covering yourself with this insurance or electing an insufficient amount could make you personally financially liable for a person that you injure. This could include their past and future medical expenses, lost wages and compensation for pain and suffering.**

Minimum Liability
COVERAGE LIMITS you can elect in Florida

When electing these low limits, whether you hurt 1 person or 20 people, the most one person can receive is \$10,000. The most the group can divide amongst each other is \$20,000.



\$10,825*

Av. Cost for a Florida ER Trauma Visit

* Information provided by TampaBay.com. Florida trauma centers charge outrageous fees the moment you come through the door. March 7, 2014

Considering that the average trauma visit to the ER in Florida costs \$10,825 it is easy to understand why carrying just 10 /20 is probably not sufficient to protect you in the unfortunate situation that you are injured in an accident.

Personal Injury Protection (PIP) is also called Florida No Fault Insurance. It covers your personal medical expenses and non-property losses regardless of who is at fault in an accident. The Florida Motor Vehicle No-Fault Law requires all car owners to carry a minimum of \$10,000 of Personal Injury Protection.



Coverages not traditionally considered as the term "Full Coverage" that can help you if you are in an accident, include:

Medical Payments Coverage (Medpay) may be able to help fill the gaps between your expenses and your coverages. This is an optional insurance that for a relatively low amount can help keep you from having medical bills go to collections. Also, some PIP policies have deductibles to meet before they start paying for your expenses; Medpay can help pay this deductible.

Uninsured/Underinsured Motorist Coverage (UM/UIM) is another low cost coverage that you can provide for yourself and your family. UM/UIM covers you when another person is at fault for an accident and they do not have any insurance or do not have sufficient insurance to cover your expenses. Many drivers make the decision to only carry minimum limits to save themselves money on monthly premiums. UM/UIM is the only coverage where you will be able to recover compensation for pain and suffering if another person is at fault for an accident and does not have the insurance to cover your injuries.

These coverages DO NOT PAY any more than is allowed under the policy. If you have a tragic accident your bills can easily EXCEED the coverages available.

Florida is 1 of only 2 states that do not require Bodily Liability Coverage.



According to the *Sun Sentinel*,* one in four drivers do not have Bodily Insurance Coverage.



Does \$10,000 seem like "Full Coverage" to you?

Surgeries Can Cost \$100s of thousands + Lost Wages from Missed Work

VS

Min. Liability Coverage \$10,000

Underinsured and Uninsured motorist coverage is one of the best ways that you can protect yourself and ensure that your family is taken care of as the result of an accident.

* Patel, Julie. (2011, October 14). Uninsured drivers are driving up your rates. *Sun Sentinel*. Retrieved from www.sun-sentinel.com.

Comprehensive and Collision Insurance "Full Coverage" on your property can help repair damage to your car or replace your car. It is subject to a deductible. This deductible is the amount of money that you will need to pay out before the insurance company pays anything.

Many agents will "help you" save money on your insurance by raising your deductible amounts. This is not "helping you", it is likely causing you to be underinsured. A few tips to help:

- Select a proper deductible amount. This is important because your car repairs will not start until you pay your part.
- Choose an amount that you can afford at any time as accidents don't wait until your next payday or your tax return to come in.

The lower your deductible, the lower the amount you are personally responsible to pay in the event of an accident. If you cannot afford your deductible when the time comes, your car will not be fixed or replaced.

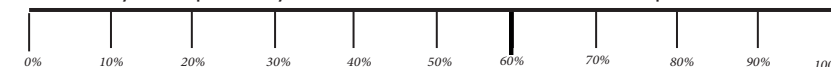
If you cannot timely replace or repair your car the effects of not having transportation can have tragic results.

- You may be unable to attend work or school.
- You will be unable to go to the doctor to receive treatment for your injuries.
- You may also incur further expenses for storage of your wrecked vehicle.
- You may not be covered for a rental car while your car is being fixed or replaced, and it can take weeks for someone else's insurance company to make a decision as to if they are going to provide you with one.

Some Additional Coverage to Consider for Your Property Damage Insurance

Rental Car Coverage pays for the cost of a rental car while your vehicle is being repaired after a car accident. This also includes theft, vandalism and weather. Rental car coverage can provide you a car quickly so that you do not have to be burdened by not having transportation when you need it.

GAP Insurance, also known as Guaranteed Auto Protection or Guaranteed Asset Protection, covers the difference between the value of a vehicle and the balance still owed if you financed or leased your car. We have many clients who have purchased new vehicles and then get into a car accident. As we work through their property damage claim, they may find out that what they owe on a car and what the car is worth often do not match; this leaves them owing thousands of dollars for a vehicle that they may not have and for an accident they did not cause. One way to help cover yourself for these circumstances is to purchase GAP Insurance.



Even though you're insured your payout could stop here

GAP Insurance can pay the rest