

Auto

1. What's the difference between Limited Tort and Full Tort Auto Insurance Policies?

Limited Tort and Full Tort refer to different types of coverage under a auto insurance policy and what compensation you are entitled to receive if you are injured in a auto accident. With a Limited Tort auto insurance policy, you *give up the right* to receive compensation for pain and suffering if you are injured in automobile accident. In most car accidents, the primary compensation that you are entitled to receive is for the pain and suffering you have to endure as a result of the car accident. The only benefit to a Limited Tort auto insurance policy is that it cheaper than a Full Tort auto insurance policy. Typically, Limited Tort auto policies are anywhere from \$100 to \$200 cheaper than a comparable Full Tort auto insurance policy. However, what you are giving up in many instances can be worth thousands of dollars down the road. What's also important to realize about Limited Tort auto insurance policies is that you are not just limiting yourself to receive just compensation in the event you are injured while driving your own car, but you are also precluding your family members covered under the policy from receiving adequate compensation. Even more significant, you and your family members will also be precluded from recovering for pain and suffering if you are injured while riding in someone else's vehicle.

It should be pointed out that Pennsylvania law *does* recognize certain situations where a person who has elected Limited Tort coverage may still recover for their pain and suffering from the responsible party.

2. What are Underinsured/Uninsured motorist benefits?

In Pennsylvania, *all* drivers are required by law to have auto insurance. Unfortunately, even though it is illegal to drive without auto insurance in Pennsylvania, many people still do it.

Uninsured motorist coverage typically referred to as UM coverage, protects you and your family in the event that you and your family are involved in an accident with a uninsured motorist or a hit and run driver who flees the sign of the accident. The UM coverage is provided by your own auto insurance policy and is another source of compensation available to you in the event you are injured by a uninsured or hit and run driver.

Underinsured motorist coverage typically referred to as UIM coverage, protects you and your family in the event that the at fault driver does not carry enough insurance to compensate you for your injuries. In Pennsylvania, *all* drivers are required to carry insurance with minimum liability limits typically of \$15,000 per person and \$30,000 for all persons injured in accident. UIM coverage provides you with additional compensation from your own insurance company over and above the limits of the at fault driver auto insurance policy. As you can see, UM and UIM coverage takes the guess work out of the available benefits you are entitled to receive when you or your family are

injured in auto accident. Because car accidents typically involve injuries that in many instances can be significant, we recommend that you maintain UM/UIM coverage limits of at least \$100,000 per person and \$300,000 total per accident. By maintaining UM/UIM limits at that level, you are taking the guess work out of the available compensation you are entitled to receive in the event you are involved in an accident with someone who is uninsured or who has minimal insurance coverage.

Ask your insurance company representative about stacking your benefits to get the most coverage for your money. Remember, you can make changes to your policy at any time. All you need to do is contact your insurance agent.

3. What does the term auto insurance “stacking” mean?

When you own more than one car or truck, you can increase your insurance coverage limits on your Uninsured (UM) and Underinsured motorist through a “stacking.” Stacking refers to the adding of the UM/UIM limits on individual auto policies to increase the total amount of UM/UIM coverage available.

For example, say you have one truck and one car in your household on the same policy. Each vehicle has our minimum recommended Uninsured and Underinsured Motorist coverage \$100,000 per person, and \$300,000 per occurrence. If you elect to not purchase stacking and the at fault driver does not have insurance or has the minimum required amount of insurance, your UM/UIM limit is \$100,000. Now let’s say you did elect to stack your coverage for the truck and car, and you are injured in a auto accident by the same person in the above example, your UM/UIM limits would now be \$200,000.

The cost for stacking of Uninsured and Underinsured Motorist coverage is relatively inexpensive. Not stacking your limits, or reducing your Uninsured and Underinsured Motorist coverage may save you some money, but it could also cost you thousands of dollars if you’re injured in a car accident.

Ask your insurance company representative about stacking your benefits to get the most coverage for your money. Remember, you can make changes to your policy at any time. All you need to do is contact your insurance agent.

4. Who pays for my medical bills?

In a car accident, typically your car insurance company will pay your medical bills under what is commonly referred to as PIP benefits. You should be careful because PIP coverage under your car insurance has a limit that in many cases is \$5,000.00. In comparison, if you are injured as a result of slip and fall accident, your own health insurance will pay your medical bills. Many people assume that the other person’s insurance will pay your medical bills but that is not the case. Instead, the other person’s insurance is only responsible for paying for your pain and suffering, which, in most cases, is the larger portion of the case.

5. What is the most important thing I should do if I get into a car accident?

Call the police IMMEDIATELY. Far too often, people think that an accident is just a minor vendor bender and there is no need to contact the police, but there are two significant problems with this line of thinking. First, when you get into an accident your adrenaline may be elevated which will mask your pain. Often it is not until a few hours after an auto accident that someone realizes that they were injured as a result of the accident. By not contacting the police, you put yourself in jeopardy of further injury. Equally important, is documentation of the accident by law enforcement. In certain situations such as a hit and run accident, the car accident must be reported to the police in order for you to make a claim for UM benefits. Similarly, a police report documenting the cause and nature of the accident protects you from the at fault driver changing his story down the road.

6. What is the one thing that I should not do after a car accident?

Never admit fault. Many people often believe they caused the accident when in fact it was not their fault. This is typically the result of the excitement and commotion of the accident, which affects your ability to think clearly. It does you no good down road if the police or an accident reconstruction expert makes a determination that the other driver was at fault if you have already admitted to fault. Let the police and accident reconstructionists do their job and determine the at fault driver.

7. What if the driver of the other car says he will take everything?

In short, do not believe them. In my own experience, I was involved in a motor vehicle accident where some backed out of a parking spot directly into the rear passenger side door of my car. When I pulled to the side of the road, the at fault driver told me it was all her fault and she would “take care of everything.” The at fault driver certainly “took care of everything” by immediately reporting to her own insurance company that I caused the accident and left the sign of the accident. This caused her insurance company to open a claim against me which ultimately led to a lawsuit. Had I followed my own advice and called the police and reported the claim to my own insurance company immediately, I could have avoided the stress and aggravation of having to defend myself against false claim.

8. What if the driver of the car leaves the scene of the accident?

Call the police immediately. Under Pennsylvania law to collect uninsured motorist benefits (UM) from your own insurance company, the accident must have been reported to the police. Even if you do not think that you have been injured by the hit and run driver, you must report the accident to the police.

9. Is “Full Coverage” the same as “Full Tort”?

No. Full coverage is simply an advertising slogan used by insurance agents or insurance brokers to sell you one of their policies. You need to be specific that you want Full Tort coverage or in many instances your auto insurance policy will not have it. It is important to review your declarations page with each yearly renewal of your car or truck insurance policy to confirm that you have elected Full Tort coverage.

10. The driver of the other car’s insurance company asked me to sign a HIPAA waiver, what is a HIPAA waiver?

A medical waiver also referred to as a HIPAA waiver allows for the release of your medical records. Typically, the at fault driver’s insurance company will ask you to sign a HIPAA waiver in order to obtain your medical records. This becomes problematic as the HIPAA waiver will often allow the insurance company to obtain your medical records prior to the accident as well as records that you may want to keep confidential. Additional complications arise if your condition worsens or if you keep to experience medical complications after the date of the HIPAA waiver. It is never a good idea to sign a HIPAA waiver before consulting an auto accident attorney in your area.

11. Should I sign the settlement agreement waiver sent to me from the other driver’s insurance company?

No. It is never a good idea to sign any documents relating to an auto accident without first consulting a lawyer. By signing the settlement agreement, you are bringing your case to an end, which means you can no longer recover future medical bills, future pain and suffering, the cost of physical therapy and medication, lost wages and more. Just as important, the settlement agreement may contain language requiring you to pay back any money you obtain in the event your own insurance company subrogates against the at fault driver. Similarly, by signing a settlement agreement without the proper authorization of your own insurance company, you may preclude yourself from recovering underinsured or uninsured motorist benefits (UM/UIM) that you would otherwise be entitled to.

12. Will my insurance rates increase if I am in a car accident?

No. Your insurance rates can only increase if you the person responsible for the car accident or if you were cited for some form of a moving violation. Pennsylvania is considered a “no fault” state, which means that your own auto insurance pays your medical bills regardless of who is at fault.

13. How do I obtain a copy of the police report for my auto accident?

If the police came to the scene of the accident you were involved in, then you are entitled to a copy of the police report. Simply contact the police department and request a copy

of the police report. The police department will typically charge you a fee of \$15.00 or less for the copy of the police report.

14. What is subrogation and why should I care about it?

Subrogation is an insurance term which refers to the insurance companies right to stand in your shoes and recover the money they paid to you from the at fault driver in the car or truck accident. Pennsylvania is a “no fault” state, which means that if you were injured and/or your car or truck was damaged in an auto accident, your insurance company must pay your medical bills up to the limits of your coverage and pay to repair your vehicle, regardless of whether the accident was your fault or not.

Virtually every insurance policy issued in the state of Pennsylvania contains a clause that requires that you not to jeopardize or extinguish your insurance company’s ability to subrogate. This is important because if you sign a release with the at fault driver’s insurance company, you may have jeopardized your insurance company’s ability to subrogate against the at fault driver and your insurance company will have no obligation to pay you benefits under the policy. This situation frequently arises when someone executes a release with the at fault driver insurance company and then attempts to collect underinsured (UIM) benefits from their own insurance company. Before you sign anything with the at fault driver or your own insurance company, you should contact an experienced personal injury or auto accident attorney.

15. Who should pay to fix my car after an accident?

Pennsylvania is a no fault state, which means that your insurance company regardless of whether you are at fault or not must pay to repair your car and pay your medical bills up to the limits of coverage. If you did not cause the accident and your insurance company pays to repair your car, they are entitled to seek reimbursement for the costs of repair from the at fault driver. It is also important to point out that if it is determined that you were not at fault, your insurance company cannot raise your rates simply because you submitted a claim for repairs to your car or truck.

16. Do I have to use the auto body shop that my insurance company has recommended?

No. Your insurance company can not force you to use one of their “preferred” or “recommended” repair shops and you are free to have your car or truck repaired where you would like.

17. What if the insurance company tells me that I will have to pay more for the repairs if I do not use one of their auto body shops?

All repair shops work with your insurance company to determine a reasonable cost to repair your car or truck to its pre-accident condition. If your insurance company is demanding that you use their preferred auto body shop, you should contact an attorney.

18. Can I get a rental car while my car is in the auto body shop?

Most auto insurance policies include the allowance of obtaining a rental car while your car or truck is being repaired or is inoperable. You should review your insurance policy to determine if your insurance company will pay for a rental car while your car is inoperable.

19. Will I get reimbursed for missed time from work?

If you are involved in a car accident and purchased income loss protection on your auto insurance policy, you can get up to 80% of your gross wages reimbursed, typically up to a limit of \$5,000. If you do not have income loss protection or you have exceeded the amount of the limits under the policy, your loss wages may be included as part of a lawsuit against the at fault driver.

20. Will I get reimbursed if I have to travel to seek medical advice or treatment?

Yes. As part of a lawsuit against the at fault driver, your out of pocket expenses which would include reasonable and necessary travel expenses to seek medical advice would be recoverable. For this reason, it is extremely important to document all mileage, gas, tolls, hotel stays and similar expenses for any out of town treatment you need to seek as a result of being involved in an auto accident.