Automobile Insurance

A Toolkit for Consumers

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Florida Department of Financial Services • Division of Consumer Services • 1-877-MY-FL-CFO (693-5236)
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Automobile Insurance TOOLKIT

Insurance coverage is an integral part of a solid financial foundation. Insurance can help us recover financially after illness, accidents, natural disasters or even the death of a loved one. There are a wide variety of insurance products available and choosing the correct type and amount of coverage can be a challenge. This toolkit provides information to assist you with insuring your automobile and tips for settling an automobile insurance claim.

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Shopping for Coverage Checklist

What is the Minimum Coverage Required?

Section 1

In Florida, vehicle owners may be required to purchase two types of auto insurance.

The first type of auto insurance is outlined in the Florida Motor Vehicle No-Fault Law (s. 627.736, F.S.). It requires every person who registers a vehicle in Florida to provide proof they have personal injury protection (PIP) and property damage liability (PD), with minimum limits of $10,000 each. PIP covers injuries you and certain others may incur in an auto accident, regardless of fault. PD covers your liability if you damage property belonging to someone else in an auto accident. Examples might include another person's vehicle, a telephone pole or a building.

Individuals who are in the State of Florida with their vehicle for more than 90 days in the last 365 days must carry these minimum limits of coverage. It is important to note that the 90 days do not need to be consecutive in order for the law to apply. Questions about titling or registering your vehicle or further clarification on how Florida's auto insurance laws apply to you should be directed to the Florida Department of Highway Safety and Motor Vehicles. You may visit them online at www.flhsmv.gov or call (850) 617-2000.

The second type of auto insurance is outlined in the Florida Financial Responsibility Law. It requires drivers who have caused accidents involving bodily injury/death or received certain citations to purchase bodily injury liability (BI) coverage with minimum limits of $10,000 each person and $20,000 each accident, referred to as split limits. You may purchase a policy that covers both types of insurance required with a single limit of at least $30,000. Drivers convicted of driving under the influence must purchase BI coverage in the amount of $100,000/$300,000 and $50,000 in PD liability.

The reason for the Florida Financial Responsibility Law is to require owners or operators of motor vehicles to be financially responsible for damages and/or injuries they may cause to others in an auto accident. The failure to be financially responsible may result in the loss of driving privileges in Florida. Although there are other ways to prove financial responsibility that are acceptable to the Florida Department of Highway Safety and Motor Vehicles, our publication deals strictly with insurance.

Coverage Descriptions

Bodily Injury Liability (BI)

This coverage protects you for injuries or death to someone else that you are legally liable for after a motor vehicle accident. As the owner of a vehicle, anytime an accident occurs involving your insured vehicle (whether or not you are driving), the possibility exists that you may be held financially responsible for any damages. This coverage not only covers the actual loss incurred, it can also provide coverage for your defense if you are sued.

When referring to BI limits of liability, the first number represents the maximum amount of coverage you have for each individual injured in a given accident and the second number is the maximum amount of coverage available to all injured persons in that accident.

Let's look at an example.

You cause an accident and there are two people in the other vehicle. You chose to carry BI limits of $10,000 per person and $20,000 per occurrence. Person "A" sustained $25,000 dollars in injuries and Person "B" sustained $15,000 in injuries. How will your policy respond?

	Person "A"	Person "B"
Total Injuries:	$25,000	$15,000
Their PIP Coverage:	$10,000	$10,000
Your Responsibility:	$15,000	$5,000
Payment from Insurer:	$10,000	$5,000

Making a decision about the amount of coverage you should carry is a personal decision based on many factors. Discussing your coverage needs with a qualified insurance agent can help you better understand your options. It is important to remember that if an accident occurs, and the injuries sustained by another party are beyond the limits of your insurance policy and the injured party has a permanent injury, scarring, disfigurement or is killed, they or their beneficiary may pursue recovery from you through the court system.

Property Damage Liability (PD)

PD liability pays for damage to another person's property caused by you or someone else operating your insured vehicle. Most often this coverage will be used to repair the other automobile(s) involved in an accident with your insured vehicle. It can also be used to pay for damage to street signs, mailboxes, buildings or other property owned by another party.

Uninsured/Underinsured Motorist (UM)

This coverage is optional but provides very important benefits to you and certain others who sustain injuries from an auto accident caused by an uninsured or underinsured motorist. The

coverage allows you to collect amounts from your own insurance carrier that you would have been able to collect from the at-fault party if they had insurance or sufficient insurance limits. It can provide additional medical expenses, lost wages, pain and suffering and other expenses that might arise when an injury occurs. Once coverage has been triggered, benefits will be paid directly to the injured person, normally in a lump sum.

You may wonder why you need to purchase UM coverage if you have PIP and health insurance since in most cases, after your PIP coverage is exhausted, your health insurance may pay some of your medical bills. Most health insurance policies include deductibles and copayments which are out of pocket expenses for you. Health insurance normally does not provide coverage for expenses you may incur if you or a covered family member must stay in a convalescent center. In some cases where an injury is severe, permanent or requires a longer recovery time, it can be very important for your quality of life and financial health to have coverage that will continue to pay for lost wages, replacement services that may be required like lawn maintenance or housekeeping, pain and suffering or modifications needed for your home or automobile due to your injuries such as a wheelchair ramp or a vehicle with special equipment.

When purchasing UM, you must make two decisions. You must decide the limits you need and whether or not you want stacked or non-stacked coverage. All insurance companies are required to provide stacked UM with the same limits as your Bodily Injury coverage. Some insurance companies offer the option to purchase lower limits and/or non-stacked coverage. Stacked UM coverage means that the limit will increase by the number of vehicles you own, regardless of whether or not the vehicles are insured on the same policy. In other words, if you have stacked UM limits of 50/100 and own three vehicles, your actual coverage is multiplied times three or 150/300. If you elect non-stacked UM at 50/100, that is the maximum coverage available in an accident regardless of how many vehicles you own. Another important coverage difference between the stacked and non-stacked form is how the policy will respond if you are injured by an uninsured/underinsured motorist in a vehicle you own but do not have insured. In that case, only the stacked form would respond.

Personal Injury Protection (PIP)

You will often hear Florida referred to as a “No-Fault State.” This means that any time you are injured in an auto accident you will file the claim with your own insurance company, regardless of who is at-fault. However, once an injured person pierces the tort threshold they may seek recovery for costs not duplicated by PIP from the at-fault party.

Section 627.737, Florida Statutes, states the threshold has been pierced when an injury from a car accident results in significant and permanent loss of important bodily function, permanent injury, significant or permanent scarring, disfigurement or death.

Section 626.9541, Florida Statutes, protects consumers from an increase in their premium for filing a PIP claim in a not-at-fault accident.

Section 627.736, Florida Statutes, details who is covered under your PIP but there are many variables which ultimately determine how your policy will respond in a claim situation.

WHAT IS THE MINIMUM COVERAGE REQUIRED?

The following describes situations where coverage applies:

1. Injuries to named insured:
   a) If the accident occurs in Florida, while occupying any defined motor vehicle or if struck by a defined motor vehicle while not occupying any self-propelled vehicle.
   b) If the accident occurs outside of Florida, while occupying the insured motor vehicle or a vehicle owned by a resident relative, if it is insured for PIP.

2. Injuries to resident relatives of named insured:
   a) Covered the same as the named insured. For accidents outside of Florida, the named insured's benefits apply to the relative only when the relative is occupying the named insured's motor vehicle.

3. Persons other than named insured and relatives:
   a) If the person is not an owner of a motor vehicle or entitled to benefits from another owner's insurance company and if the accident occurs in Florida, the owner's benefits are payable to such persons (1) while occupying the named insured's motor vehicle or (2) if the person is a Florida resident, if struck by the insured's motor vehicle while a pedestrian.

Standard PIP benefits required to be included on all Florida automobile policies include:

- 80 percent of all necessary and reasonable medical expenses incurred as a result of a covered injury, regardless of who caused the accident. It is very important to remember initial treatment must be received within 14 days of the accident to be covered. A limit of $2,500 applies to non-emergency medical treatment. If a medical doctor, an osteopath, a dentist, a physician's assistant or an advanced registered nurse practitioner determines that the claimant suffered from an "emergency medical condition," reimbursement for all services and care is up to $10,000, unless higher limits are purchased.

  An emergency medical condition is defined as: A medical condition manifesting itself by acute symptoms of sufficient severity, which may include severe pain, such that the absence of immediate medical attention could reasonably be expected to result in any of the following:

  - Serious jeopardy to patient health;
  - Serious impairment to bodily functions;
  - Serious dysfunction of any bodily organ or part.

- 100 percent for necessary and reasonable replacement services that are required by an outside person due to the injured person being unable to perform such duties or services. Examples could include but are not limited to: cleaning, cooking and yard maintenance.

- 60 percent of work loss and has a death benefit of $5,000. The mileage is usually paid at the standard rate allowed by the I.R.S.

In addition to the standard benefits above, there are additional coverage options you may want to consider. You may increase medical expense coverage to 100 percent and lost wages coverage to 80 percent up to the policy limit. You may also increase the maximum coverage available to $20,000.

WHAT IS THE MINIMUM COVERAGE REQUIRED?

Not all insurance companies offer the increased limits discussed; however, all companies are required to offer deductibles and the option to exclude work loss. Section 627.739, Florida Statutes, states that insureds have the right to reject work loss benefits in exchange for a premium reduction. A rejection can apply to the insured only or to the insured and resident relatives. You may also choose a deductible of $250, $500 or $1,000. The deductible can apply to the insured only or to the insured and resident relatives. When a deductible is chosen, it applies to all benefits except the death benefit.

Coverage under PIP can be complicated. It is important to disclose to your agent or insurance company all the members of your household and any regular users of your vehicle when you initially purchase your policy and throughout the policy term, if members of the household and/or users change. Any special circumstances or concerns you have should be discussed with your agent or insurance company to determine how your policy will respond to a claim and what coverage options are more appropriate for your personal situation.

Medical Payments

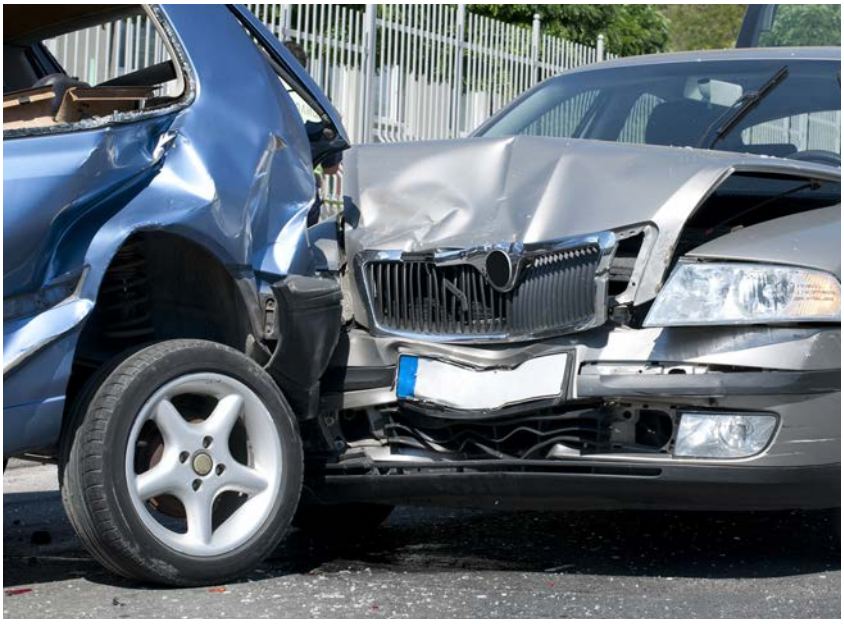
Medical Payments coverage is optional. It covers reasonable and necessary medical expenses and funeral expenses incurred as a result of bodily injury from an auto accident, not covered by PIP and up to the limit chosen. Medical Payments coverage applies to the named insured, resident relatives and others while a passenger in your insured vehicle. Also, Medical Payments coverage follows you and your resident relatives in any car or as a pedestrian or bicyclist. Some people purchase Medical Payments coverage to pay the 20 percent of medical expenses not covered under basic PIP or to pay the PIP deductible, if one was chosen.

Comprehensive or Other than Collision

Comprehensive, sometimes referred to as Other than Collision on your policy, provides coverage for damage to your insured vehicle from fire, theft, windstorm, vandalism, flood, falling objects or from colliding with an animal. When you have this coverage, windshield glass claims are not subject to a deductible. This coverage is usually available even if you elect not to purchase Collision coverage. Common deductible amounts are $250, $500 or $1,000. You should consult your agent or insurance company to determine what deductibles are available to you.

Collision

Collision coverage pays for the repair or actual cash value of your insured vehicle if it collides with another vehicle, flips over or collides with another object (except animals). Common deductibles are $250, $500 and $1000 and insurance companies normally require the purchase of Comprehensive/Other than Collision coverage in order to purchase Collision coverage.



In general, only equipment that is permanently attached to your vehicle is considered for coverage in a Collision

claim. Tools and permanently attached tool boxes used in trade or a wheelchair lift or other custom features added by you or a dealer should be discussed with your agent or insurance company.

Rental Reimbursement

Rental Reimbursement is another optional coverage. Normally, this coverage is only available if you purchased Comprehensive and Collision. Rental Reimbursement provides coverage for the cost of renting a replacement vehicle in certain situations. In the event of a covered loss, your insurance company will reimburse you for car rental expenses up to the limits specified in your policy. Your insurance company is not responsible for rental reimbursement unless there is a covered claim that triggers the need for a rental car.

While some insurance companies may pay for your rental car in advance, eliminating the need for you to initially pay out of pocket, they are not required by law to do so. In fact, most contracts state that the insured must pay for the car rental in full and then submit the receipts to the insurance company for reimbursement.

Towing and Labor

Towing and Labor is optional and provides coverage for emergency road service (at the scene) and towing up to the limits shown on the policy. However, it is important to remember that frequent towing claims can affect your coverage in a negative way. Insurance companies have the right to cancel your policy for too many claims, even if they are low dollar towing claims not associated with an accident. Some policies settle towing claims on a reimbursement basis and others have contracts with preferred towing companies to provide the service.

Insurance Requirements for Special Cases

Financed Vehicle

Most loan agreements require you to maintain Comprehensive and Collision coverage for the term of the loan and to list the lender as a loss payee on the policy. This protects the financial interests of the lender and also guarantees that the lender will receive notification anytime the policy is changed or is pending termination. Some lenders offer insurance coverage provided by a specific insurance company but they cannot require you to purchase insurance from them or a particular insurance company or agent. They can also limit the amount of the deductible you can choose. As with any contract, it is important that you understand the terms of your loan agreement and your responsibilities before signing it.

If you fail to maintain the coverage required by the lender, the lender will purchase insurance to protect its interest in your vehicle. It is important to understand the lender is the named insured under a force placed policy and you have no protection or rights for recovery under the policy. This means if you have an at-fault accident, you can be held legally liable for damages. In addition, force placed policies typically do not meet the requirements of the Financial Responsibility Law administered by the Florida Department of Highway Safety and Motor Vehicles. Therefore, you could risk the suspension of your tag and driver's license. In addition, the cost of the force placed policy will be passed on to you and may increase the number and/or amount of your monthly payments. Generally, you pay less when you buy your own coverage. You should keep all insurance records until you pay off your vehicle and receive the title.

Leased Vehicle

Section 324.021, Florida Statutes, requires you to carry higher limits of liability if you lease for one year or longer. The required limits for a leased vehicle meeting the above criteria is $100,000/$300,000 for bodily injury liability and $50,000 for property damage liability or a combined single limit of $500,000.

You should also carefully review the lease agreement to identify any additional requirements that are part of the contract between you and the lessor.

Motorcycles

A special policy is required for motorcycles which cannot be added to an existing auto policy. Most of the coverage offered on an auto policy can also be purchased on your motorcycle policy; however, PIP is not available on motorcycles. Also, PIP coverage on your auto will not cover you while riding a motorcycle.

Florida law allows motorcycle operators age 21 years and older to ride motorcycles without helmets providing they have at least $10,000 in appropriate health insurance or medical payments coverage. Drivers or passengers who are under the age of 21 are required by law to wear a helmet.

Many motorcycles have modifications made or are customized in some way. If your motorcycle has been modified or customized in any way, be sure to check with your agent or company representative to determine whether or not your policy will cover these additional features. In some cases, a separate endorsement may be required.

Questions related to vehicle registration, tags or driver's license requirements should be addressed to the Florida Department of Highway Safety and Motor Vehicles. You may visit them online at www.flhsmv.gov or call (850) 617-2000.

College Students or Part-Time Residents

Any person who has a motor vehicle in Florida for more than 90 days during the previous 365 day period must have PIP and PD insurance. The 90 days do not need to be consecutive for this to apply. If you are a Florida resident attending college in another state and your vehicle is registered in Florida, you must have PIP and PD coverage on the vehicle.

Military Personnel

If you are in the military and have a Florida vehicle garaged out of state, send a copy of your orders and a copy of the insurance policy from the state in which you are based to the Florida Department of Highway Safety and Motor Vehicles. This will prevent the suspension of your tag and license.

If you are called to active duty and will serve outside of the United States in an emergency situation, you are exempt from carrying PIP and PD as long as you remain outside of the United States and allow no one else to use your automobile. You must request this exemption from your insurance company in writing and notify the Florida Department of Highway Safety and Motor Vehicles.

Make sure to inform your insurance agent of your current status and any changes to ensure you are in compliance with all statutory and contractual requirements and that you are receiving any discounts that may be available to you as a member of the United States Armed Forces.

Vehicle Used for Work

A personal auto policy typically will not provide coverage for a vehicle being used for business purposes. It is critical that you discuss any business use of your vehicle with your agent to determine coverage. Sometimes additional coverage can be added by endorsement but other times, a different policy should be purchased. Each insurance company has their own underwriting guidelines and what is acceptable for one company may not be acceptable by another. The details of your specific situation must be evaluated to ensure you have the appropriate coverage in place. Failing to do so can result in a claim being denied and/or the cancellation of your policy.

Renting a Vehicle

You should check with your agent or insurance company prior to renting a vehicle to determine if your auto coverage will extend to the rental vehicle. What kind of vehicle you rent, how it will be used, where it will be driven and the limits of your own coverage are all factors that determine if coverage will extend from your personal auto policy to the rental vehicle.

Underwriting Guidelines

Section 2

Insurance companies use underwriting guidelines to determine whether or not they will issue a policy to an applicant and if so, how much it will cost. Each insurance company has their own standards and evaluates the information you provide on an application or when asking for a quote against those standards. Underwriting guidelines protect consumers as well as insurance companies by making sure that everyone who applies for coverage is measured against the same standard.

Underwriting Factors That Cannot Affect Your Ability to Purchase Insurance

Section 626.9541(1)(x), Florida Statutes, states that an insurance company cannot refuse to insure or continue to insure an individual or risk solely because of the following:

1. Race, color, creed, marital status, sex or national origin;
2. The residence, age or lawful occupation of the individual or the location of the risk, unless there is a reasonable relationship between these;
3. The insured's or applicant's failure to agree to place collateral business with them, unless the coverage applied for would provide excess liability coverage over that provided in policies on property or motor vehicles;
4. The insured's or applicant's failure to purchase non-insurance services, including automobile services as defined in Section 624.124, Florida Statutes;
5. The fact that the insured or applicant is a public official; or
6. The fact that the insured or applicant had been previously refused insurance coverage by another insurance company.

Underwriting Factors That Affect Your Insurance Policy Premium

Insurance companies use a variety of factors to determine how much you will pay for your car insurance based on the level of risk to the company. Not all companies consider the same factors with equal weight, which is why it is important to compare rates and services of different insurance companies. Here are the main factors that affect your premiums.

Type of Vehicle – Year, Make, Model and Value

Expensive or high-performance vehicles generally cost more to repair or replace. Such vehicles may also be inviting targets for thieves or vandals. Insurance companies usually charge a higher premium for coverage of these vehicles.

Driving History – Past Accidents and Violations

Insurance companies consider your driving history when determining rates. If you have had accidents or received violations, an insurance company may choose to issue your policy at a higher rate or may refuse to issue a policy at all, depending on the number and type of accidents and/or violations.

Vehicle Usage

The distance you drive to work or school may affect the cost of your insurance because it determines your daily exposure to risk. Increasing or decreasing the number of miles driven each year can cause your premiums to increase or decrease. Also, changing vehicle usage (i.e., from personal to commercial) can affect the amount you must pay for coverage.

Territory

Insurance companies consider vehicle and population density, road conditions, repair rates, medical and hospital costs and the number of accidents in a particular area.

Gender

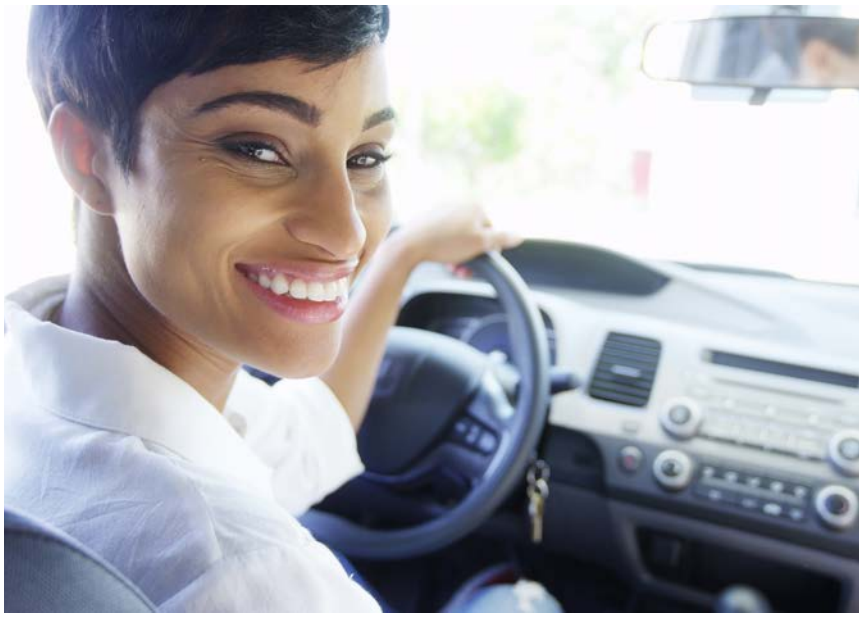
Statistics show that males suffer more than twice as many fatal accidents as females. Insurance companies typically charge higher premiums for males, especially those younger than 25.

Age

Statistically, Florida drivers younger than 25 or older than 65 make up a larger share of people involved in accidents, and this is factored into the decision to charge higher premiums.

Credit History

Under the Federal Fair Credit Reporting Act, credit reports can be used for insurance underwriting. However, there are situations the insurance company may not use when reviewing a person's credit history. A list of these can be found in Section 626.9741, Florida Statutes.



Other Factors Affecting Your Premiums

Company Specific Discounts

Some companies offer discounts to younger drivers who attend a driver's education class or maintain a certain grade point average in school. Senior operators may qualify for a discount after taking classes designed for them such as "Arrive Alive 55." Many companies also offer discounts to policyholders with driving records free of accidents and violations for an extended period of time. You should check with your agent or insurance company to find out what discounts are available and what documentation you need to provide in order to qualify.

Retirees

If you are retired or do not earn wages, you may consider reducing your premium by excluding coverage for wage loss from your PIP insurance. You should consider how the removal of work loss coverage will affect other family members living with you. Check with your insurance company or agent to determine if the reduction in coverage is worth the discount.

Deductible

You may choose to increase your deductible in order to reduce your premium, but remember that you must pay this amount out of pocket each time you submit a claim. Carefully consider how much of a discount you will receive for a higher deductible and how much you can afford to pay out of pocket on each claim.

Older Vehicles

Since claims for damage to your auto are normally paid based on actual cash value (considers depreciation), you should consider the current value of your vehicle to determine whether or not the amount of coverage is worth the premium. You may want to remove Comprehensive and Collision coverage unless there is a lien holder, such as a bank, that requires it.

Restraint Systems and Anti-Theft Devices

Companies may offer discounts for certain equipment such as anti-lock brakes, air bags, anti-theft devices or vehicle-recovery systems.

Shopping for Auto Insurance

When shopping for insurance it is very important to provide the agent or insurance company with the most accurate information possible. For example, failing to disclose all licensed persons in your household or regular operators of your insured vehicle can not only result in an inaccurate quote, but could cause the denial of a claim if the undisclosed person was operating the vehicle when the accident occurred. Your agent or company must strive to provide you with correct information and may not intentionally mislead you by quoting a lower price than the true cost of the policy.

Remember that a quote is an estimate of how much insurance with a particular company will cost you and may be subject to change. If you find that your rate has increased once the policy has been issued, you have the option to pay the additional premium or to cancel the policy. An insurance company should complete its underwriting of the application and send you the policy within 60 days. When you receive your policy, be sure to review it to ensure it contains the desired coverages. You should also review your policy at each renewal to confirm it continues to meet your coverage and premium needs. If you have questions or concerns regarding your coverage, contact your insurance agent or company.

Before buying insurance, make sure you select an insurance agent with whom you feel comfortable and who will be available to answer your questions. You should also verify whether the insurance agent and the insurance company are licensed to sell insurance in Florida by calling the Department of Financial Services' Consumer Helpline toll-free at 1-877-MY-FL-CFO (1-877-693-5236) or by visiting www.MyFloridaCFO.com. Be sure to have the full name of the insurance agent and the insurance company when you call or visit the website.

Actions to Take Before and After an Auto Accident

An automobile accident, like other unexpected events, can cause a great deal of stress and frustration. You can ease that stress by taking steps to make sure you receive fair compensation for your financial and material losses. The following tips can help you before and after an accident and during the repair and claims processes.

Before an Accident – Be Prepared

- Understand your insurance coverage and how it will respond in the event of a claim.
- Know the names, phone numbers and mailing addresses of your insurance company and agent.
- Always have your proof of insurance card with you. Don't forget to make an extra copy to keep in your car along with your registration.

After an Accident – Filing a Claim

When filing a claim, you should take the following steps:

- In situations where you can, report an accident to the police, regardless of how minor it seems. What looks like a small dent or scratch could actually cost several hundred dollars to repair. Make sure the police officer gives you a copy of the driver Exchange of Information Form.
- Write down names, addresses and phone numbers of any witnesses in case your insurance company needs to contact them later.
- Call your insurance company and agent immediately for further instructions. The insurance company may deny payment of your claim if you do not report the accident in a timely manner.

An insurance company is responsible for the proper, timely and reasonable investigation of claims. The insurer must let you know in writing if it will deny and/or investigate your claim within 30 days after receiving completed proof-of-loss forms. The company must also provide you with an explanation if they deny your claim. The insurance company can void your policy from inception and refuse to pay a claim if you withheld information on your application and that information would have resulted in the denial of coverage or a higher premium.

Settling Your Claim

Before you begin repairs, make sure the insurance company has inspected the damage to your vehicle. Remember that the claims process can be a negotiation between you and the insurance company. For a totaled car, your insurance company may offer you a cash settlement based on the actual cost to purchase a comparable vehicle. When determining the value of your vehicle, the insurance company should compare your vehicle to other vehicles made by the same manufacturer, in the same model year, of a similar body type, in a similar condition and with similar options and mileage currently for sale within a reasonable driving distance of your residence. Or, the company may elect to offer you a replacement vehicle.

The insurance company must have documentation in the claim file to justify its decision. In some cases, your insurance company will send an adjuster to inspect your automobile before you obtain any necessary repairs. In other cases, your insurance company will instruct you to obtain an estimate for the work. Even when estimates are prepared, it's not uncommon for the repair facility to discover supplemental damage during the repair process. Normally, when additional damage is discovered, the repair shop will report the supplemental damage to your insurance company and receive permission to continue the repair. It is important to note that your insurance company is not responsible for any previous unrepaired damage.

An insurance company is only responsible for paying the Actual Cash Value (ACV) of your vehicle at the time of loss. The term "actual cash value" means the cost to replace less depreciation. For this reason, some newer vehicles may have outstanding loan balances that exceed the ACV of the vehicle. You may want to talk to your lender about securing a "GAP" policy that would pay off the loan, providing the loan is paid current, if the vehicle were totaled in an accident.

Section 627.7401, Florida Statutes, states your insurance company must provide you with a notice of your rights when you file a PIP claim. This notice will include items such as a list of your PIP benefits, exclusions, limitations and payment timeline requirements. Your insurance company must pay you or the service provider within 30 days upon receipt of proper written notification of the PIP loss amount. If not, you or your provider should be entitled to interest on the amount of the claim until you receive payment.

During the Repair Process

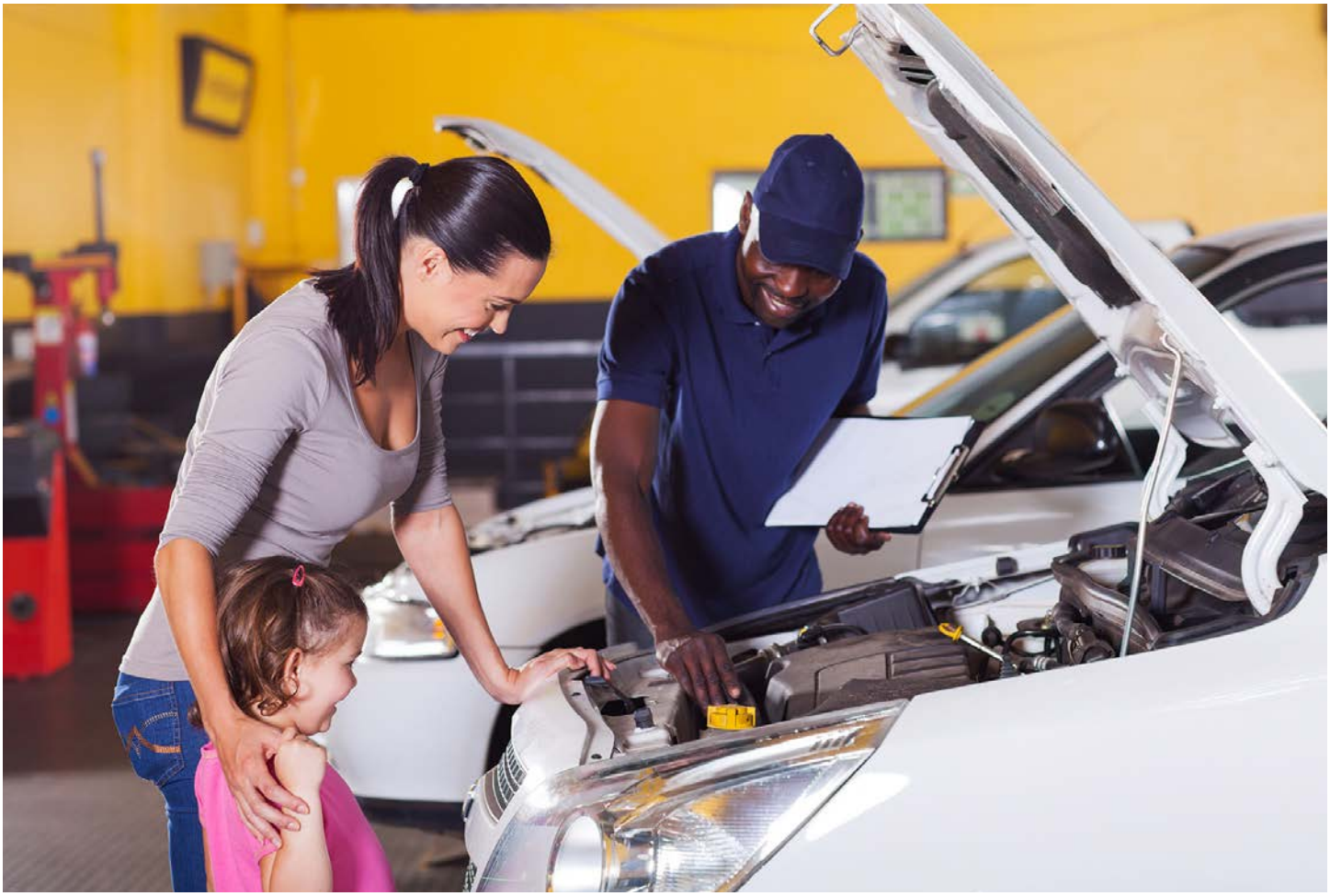
You have the right to select the repair shop to repair your automobile after an accident. However, it is very common for an insurance company to have a list of preferred shops in your area. If you elect to use one of the preferred shops, the repairs are normally guaranteed for as long as you keep the vehicle. It's also important to remember when not using a preferred shop, the insurance company is not responsible for amounts charged in rental car fees due to the shops delay in making repairs.

If your vehicle was towed to a storage facility, the insurance company must provide you reasonable notice before terminating payment of storage charges. When towing is provided by the policy, the insurance company must cover the towing cost of the company you selected, subject to policy limitations, unless they provided you with the name of another towing company before you chose one.

The insurance company must repair your automobile with parts at least equal in quality and fit as the original parts. In some cases, aftermarket parts may be used. An aftermarket part is a replacement for any of the non-mechanical sheet metal or plastic parts which generally constitute the exterior of a motor vehicle, but can include inner and outer panels. They are parts that are not manufactured by the original automobile maker.

Is Your Car Ready?

Check ALL repairs afterwards, both at the shop and again at home. Also, obtain a copy of the itemized repairs on a form printed with the repair shop's name and address. If you have a problem with a repair shop, you may request assistance from the Florida Department of Agriculture and Consumer Services by calling 1-800-435-7352 or visiting their website at www.freshfromflorida.com.



Disputing Claim Settlements

Not At-Fault Accidents (Third Party Claims)

When an accident occurs, and the other party is at-fault, you may contact their insurance company to file a claim against their policy but you should also report the accident to your insurance company. The other party's insurance company has a right and responsibility to investigate the claim on behalf of their policyholder. The insurance company will speak to their insured to get their side of the story. After concluding its investigation, the insurance company will make a determination on whether or not to accept liability for the accident. The mere fact their insured may have received a citation does not necessarily determine fault. If the company of the other party denies liability, you should notify your insurance company so they can pay your claim, if coverage is available. Florida is a Comparative Negligence state, which means that each party can share in the negligence that caused the accident.

If you elect to have your insurance company pay for your repairs when another party is at-fault, your insurance company may recover the amount they have paid in damages, including your deductible, from the at-fault party's insurance company in a process called subrogation. If you file the claim with your insurance company, it is essential that you do not sign or authorize any release of liability provided to you by the at-fault insurance company. It is a good idea to check with your own insurance company before signing anything given to you by the other party or their insurance company.

Most insurance companies record statements of insureds, claimants and witnesses to preserve information. This speeds up the claim process, is a part of most claims investigations and is not an unusual occurrence. In some cases, the other party's insurance company may have difficulty in obtaining a statement from their insured. If the other party does not cooperate with their insurance company during the claim investigation, the company may deny the claim. This is because an insured has the contractual obligation to assist the insurance company in investigating the claim. In this case, you may file the claim with your own insurance company, if coverage is available or file a civil action against the individual that caused the damages.

Appraisal Clause

When you and your insurance company cannot agree on the amount of damage, either party may invoke the appraisal clause found in most insurance policies. Each party chooses an appraiser and if the two appraisers cannot agree on the amount, they will choose an umpire. An agreement of two of the three is binding on the insured and insurance company. Each party pays its own appraiser and shares all other expenses relating to the appraisal process including the umpire. This is a contractual provision outlined in most policies. You should review your policy provisions for additional information.

Mediation

If you cannot agree on the amount of damage, you may want to consider mediation. The following types of claims are eligible for mediation: a bodily injury claim of less than $10,000 or a property damage claim of any amount. This is a non-binding process and is an alternative dispute resolution that can be tried prior to settling with the insurance company, filing a lawsuit or requesting appraisal with your insurance company. For more information about the Mediation Program offered through the Department, please review our online brochure at: www.MyFloridaCFO.com/Division/Consumers/Mediation/Documents/MediationAuto.pdf.

Shopping for Coverage Checklist

Section 4

When shopping for insurance, use the coverage checklist provided below as a tool to compare different companies. Also, verify whether the agent and/or company is licensed to sell insurance in Florida by calling the Florida Department of Financial Services at 1-877-MY-FL-CFO (693-5236) or by visiting www.MyFloridaCFO.com.

(1st Choice)
Company Name:

Example Policy Limits	*50/100/50*	*100/500/100*
Bodily Injury/PD (minimum $10,000 / $20,000)		
Personal Injury Protection (PIP) (minimum $10,000)		
Medical Pay	**$**	**$**
Example	*Stacked*	*Non-Stacked*
Uninsured/Underinsured Motorist	**$**	**$**
Example	250	500
Comprehensive (Deductibles)		
Example	250	500
Collision (Deductibles)		
Rental Reimbursement	**$**	**$**
Total Premium	**$**	**$**

Additional items to discuss with your agent: _____

Optional Equipment on Vehicle: _____

Regular Operators: _____

Driving Record: _____

Notes: _____

_____

_____

_____

(2nd Choice)
Company Name:

Example Policy Limits	*50/100/50*	*100/500/100*
Bodily Injury/PD (minimum $10,000 / $20,000)		
Personal Injury Protection (PIP) (minimum $10,000)		
Medical Pay	**$**	**$**
Example	*Stacked*	*Non-Stacked*
Uninsured/Underinsured Motorist	**$**	**$**
Example	250	500
Comprehensive (Deductibles)		
Example	250	500
Collision (Deductibles)		
Rental Reimbursement	**$**	**$**
Total Premium	**$**	**$**

(3rd Choice)
Company Name:

Example Policy Limits	*50/100/50*	*100/500/100*
Bodily Injury/PD (minimum $10,000 / $20,000)		
Personal Injury Protection (PIP) (minimum $10,000)		
Medical Pay	**$**	**$**
Example	*Stacked*	*Non-Stacked*
Uninsured/Underinsured Motorist	**$**	**$**
Example	250	500
Comprehensive (Deductibles)		
Example	250	500
Collision (Deductibles)		
Rental Reimbursement	**$**	**$**
Total Premium	**$**	**$**

CHIEF FINANCIAL OFFICER
JEFF ATWATER
FLORIDA DEPARTMENT OF FINANCIAL SERVICES
IN GOD WE TRUST