

Baggett Law

Florida Car Insurance 101

REQUIRED COVERAGE:

Florida drivers must carry a minimum of \$10,000 in both **Personal Injury Protection** and **Property Damage Liability** coverage to own and maintain a license plate and registration.

Personal Injury Protection ("PIP")

PIP insurance covers 80% of medical bills and up to 60% of lost wages, but the minimum \$10,000 limit often falls short of covering all expenses from a car accident. Optional coverage is available in Florida to help ensure adequate financial protection for you, your family, and others affected by injuries.

Property Damage Liability ("PDL")

PDL coverage pays for damages to another person's vehicle or property. It typically covers the cost of repairs if you are at fault for a car accident that damages another person's vehicle or property, such as a fence. This type of coverage does not apply to bodily injuries, which are far more costly.

OPTIONAL (RECOMMENDED) COVERAGE:

Florida drivers can choose two main types of optional insurance coverage beyond the minimum state requirements:

Bodily Injury Liability and Uninsured/Underinsured Motorist Coverage.

Bodily Injury Liability ("BI")

Bodily Injury Liability (BI) insurance pays money damages if you cause an accident and injure someone else. If you are partially or totally at fault for a car accident in which someone is injured, the injured person can sue you for damages. If you have a BI policy, the policy will be used to reimburse the injured person up to the policy limits.

The minimum BI coverage a car insurance company will sell you is usually \$10,000 per person/\$20,000 per accident. However, it is recommended that you purchase much higher coverage depending on your assets, as even minor injuries can lead to significant medical expenses for which you may be liable.

Un/Underinsured Motorist ("UM")

Florida law requires insurance companies who sell bodily injury (BI) liability policies to offer an equal amount of uninsured motorist (UM) coverage on each policy. UM insurance coverage pays for damages you sustained if you are in an accident and the at-fault driver either has no bodily injury liability insurance or does not have enough to reimburse your losses. UM pays for medical bills, lost wages, and pain and suffering.

Like BI, UM is not mandatory, but it is strongly recommended that you purchase UM to cover your injuries in the event you are injured by a driver that does not carry adequate BI coverage.