



**INTERWEST**  
INSURANCE SERVICES, LLC

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## NEWSBLAST

### Rising Auto Insurance Risk

# More Drivers Go Uninsured or Underinsured

**A**S AUTO insurance premiums continue to rise, some motorists find it challenging to afford the higher rates, leading them to make difficult decisions like not purchasing insurance or purchasing a policy that only has the state-mandated minimum liability limits.

A new study by the Insurance Research Council found that one in three U.S. drivers nationwide is either uninsured or underinsured in 2023, up 10% since 2017. Nearly every state in the country, except New Hampshire, requires drivers to purchase liability insurance. Despite that, more Americans than ever are choosing to go without it or get just the bare minimum coverage required.

Driving underinsured means having an insurance policy that does not provide sufficient coverage to protect against potential damages or liabilities in an accident. This can often happen if you purchase a policy with only the minimum liability limits required by your state. Some of the mandated limits are lower than the cost of an accident.

On the other hand, driving uninsured means having no insurance coverage at all. Both scenarios can create significant problems.

### Uninsured motorist coverage

Thousands of people on the road who are either underinsured or uninsured pose a financial threat to other motorists and the general public.

That's why it's important to include uninsured/underinsured motorist coverage in your policy.

Uninsured/underinsured motorist insurance covers your injuries, your passengers' injuries, and damage to your vehicle if you're hit by a driver who doesn't have enough or any auto insurance.

This coverage helps compensate for medical expenses, lost wages, pain and suffering, as well as potential property damage to your car.

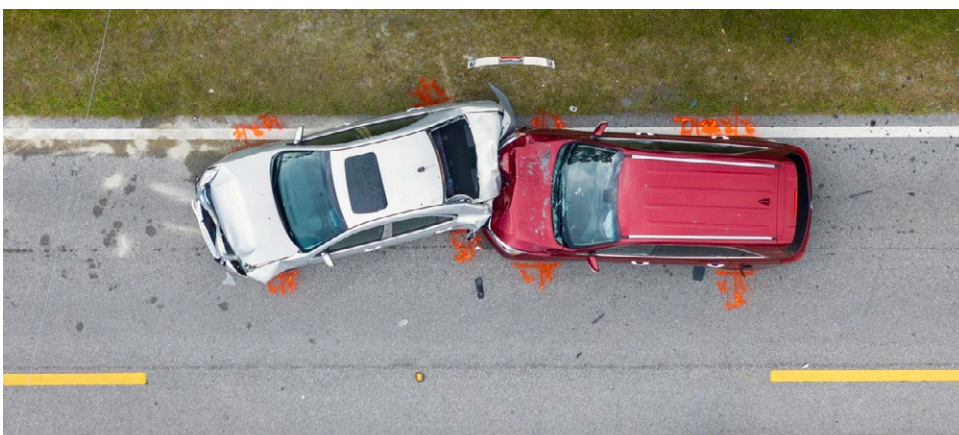
To address these concerns and protect responsible drivers, 19 states require auto insurance policies to include uninsured/underinsured motorist coverage, with each state requiring different minimum coverages.

Even if your state doesn't require that you carry UM/IUM coverage, you should purchase it.

Experts say that the minimum UM/IUM liability limits you should carry are \$100,000 per person or \$300,000 per accident. ❖

### The dangers

- If the uninsured driver is at fault, they can be held personally responsible for covering all the damages, medical expenses and other liabilities resulting from the accident.
- If an underinsured driver with policy liability limits that are too low is at fault, they would be on the hook for the rest of the damages after the insurance company pays its share of the claim.
- If the at-fault driver lacks adequate financial resources, the other party involved in the accident may not receive the compensation they are entitled to. This can leave innocent victims without proper reimbursement for their medical bills, property damage and other losses incurred in the accident.
- Even if the other driver has uninsured motorist coverage, the insurance company will likely sue the at-fault driver to recover its losses for whatever it ends up paying out.



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## Homeowner's Liability

# Throwing a Party? Cover Your Risk with an Umbrella

**M**ANY HOMEOWNERS enjoy throwing parties for holidays or special events. If you're planning a party in the near future, be sure that your homeowner's coverage is adequate and, if it's not, you should consider a personal umbrella policy.

Guests who are injured may need to file an injury claim if their vehicle is damaged, if they fall down or if a pet bites them.

Research shows that about 75% of homeowners who plan social gatherings in their homes do not have a personal umbrella policy. This makes them more vulnerable to lawsuits stemming from guests who suffer injuries.

The same study found that the remainder of the homeowners surveyed did not know what type of coverage they had.

This means it is likely that the percentage of homeowners who do not have adequate coverage is even higher.

But a personal umbrella policy is necessary to protect against lawsuits.

## Alcohol Tips

Homeowners may be held responsible for damages arising from accidents caused by intoxicated guest who drives home.

If you're throwing a party, consider:

- Ensuring that there are filling foods and non-alcoholic beverages.
- Limiting invitations to friends, family or familiar people.
- Providing transportation or accommodation for guests who drank too much.
- Avoiding serving alcohol to guests who appear intoxicated.
- Planning activities that draw attention away from drinking alcohol.
- Stopping the flow of alcohol at least one hour before the party ends.



## Check your protection

Personal umbrella coverage is simply a \$1 million liability policy (which pays for bodily injury or property damage to others).

It sits and waits until one of the underlying policies — typically your car or home insurance — is maxed out.

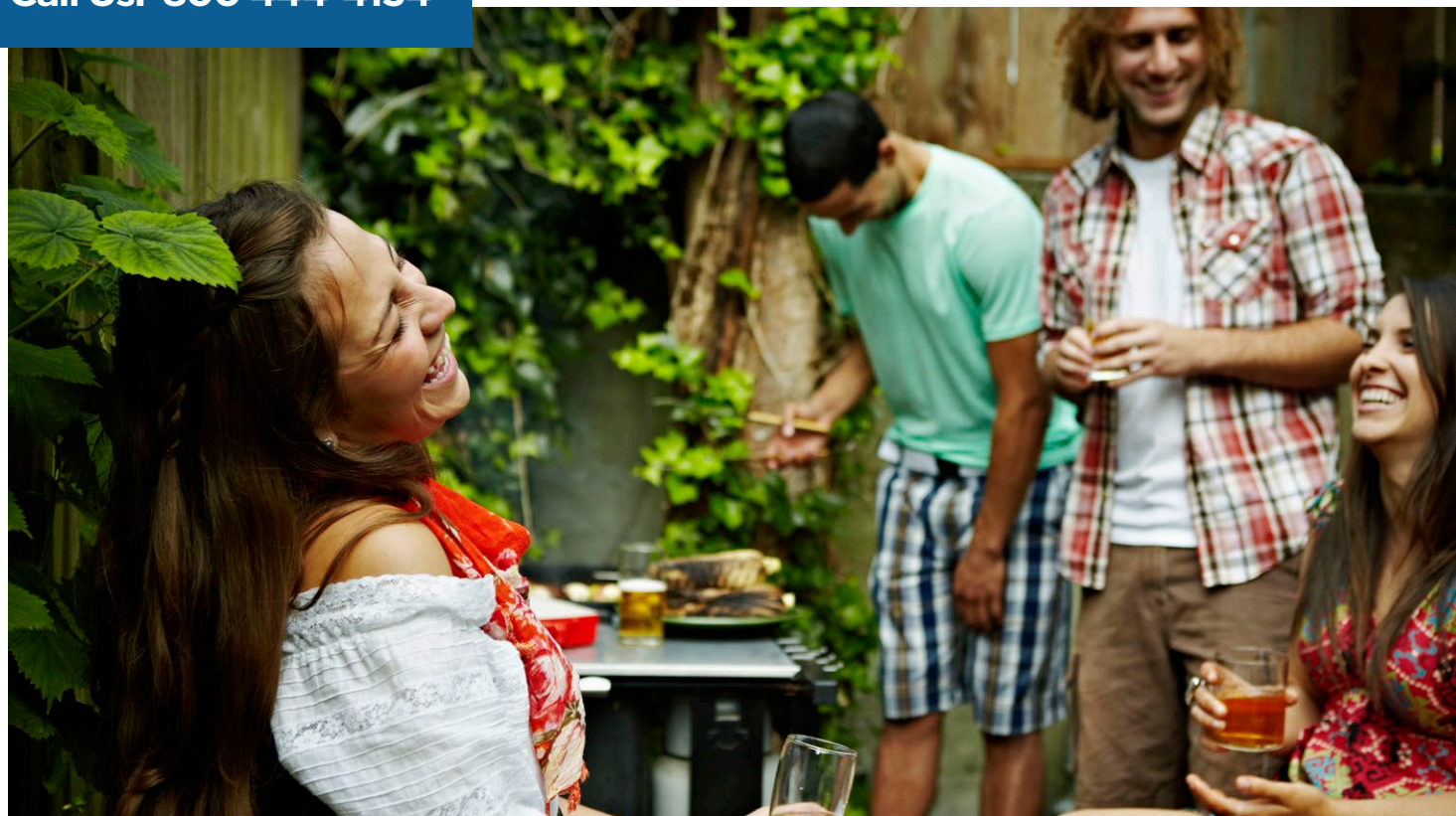
## Here's a hypothetical situation:

*Bruce has a homeowner's policy with a \$300,000 liability limit. He threw a big party and one of the guests drank too much, drove and crashed into another vehicle, injuring several of its occupants. Let's say that his homeowner's policy pays the \$300,000 (very safe assumption), but the settlement is \$800,000. Where does the remaining \$500,000 come from?*

**The answer:** His umbrella policy. ❖

Let us check your coverage

**Call Us: 800 444-4134**





## Hitting the Road

# Protecting your Fifth-Wheel or Pop-up Camper

**A**S SUMMER approaches, many Americans start planning for camping excursions in the months ahead in motorhomes, fifth wheels, travel trailers and pop-up camper trailers.

And while motorhomes are vehicles that require their own insurance policy since you are driving them like a car, what about the aforementioned trailers? Since you don't actually drive them, states don't require that you carry insurance on them.

But just because insurance isn't required for trailers, doesn't mean it's not a good idea.

Here's what you need to know, including the most common camping trailers on the market, your insurance option and the factors affecting cost.

### Your auto insurance

If you have comprehensive coverage on your vehicle, it will not cover your fifth wheel or trailer if it is damaged or stolen.

However, if your vehicle is towing the unit and the trailer damages a third party's property or injures a third party, your auto liability insurance would cover the damage you caused.

If you're at fault for an accident that damages your unit, however, your towing vehicle's coverage won't pay to repair it.

### Insurance option

The only time your auto insurance would cover your trailer is if it damages a third party's property or injures a third party while being towed by a covered vehicle.

However, if you are at fault in an accident or if it suffers other damage like hail or fire, or if it's stolen, your policy would not cover it.

Fortunately there is RV or travel trailer insurance.

### Fifth wheel trailers

These are the largest types of trailers and are similar in size to a class A motorhome. They must be towed by a large pickup truck capable of handling their weight, using a special tow point in the bed of the truck known as a fifth-wheel coupling.



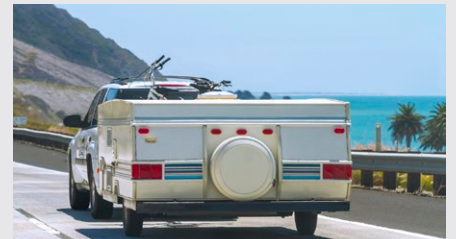
### Travel trailers

These are smaller in size and are towed behind a vehicle, typically with a ball hitch. You can use a smaller vehicle to tow one, like an SUV or light truck.



### Pop-up campers

These are a type of travel trailer but a smaller variety. These share the same bumper pull hitch and are collapsible to a certain degree. Some models "pop up" part of the interior while others can completely fold down the living space, so it looks more like you're towing a box on wheels.



## What RV insurance may cover

**Collision coverage:** Covers damage to the trailer if it's involved in an accident with another vehicle or object, regardless of fault.

**Comprehensive coverage:** Covers damage to the trailer from non-collision events like theft, vandalism, fire, wind, hail or other natural disasters.

**Total loss replacement:** In some cases, if the trailer is a total loss within a certain timeframe, the insurance company may pay for a new trailer of the same kind and quality.

**Emergency expense coverage:** May cover lodging and other expenses if the trailer is damaged far from home.

### Cost

Many policies will reduce the premium if you store your trailer for part of the year.

The price of insurance will depend on factors like your age, location, driving history, coverage options and the year, make and model of your trailer.

If you are in the market for a fifth wheel, travel trailer or pop-up camper, give us a call ahead of time so we can help you secure proper coverage to protect your new investment that is bound to provide you with years of fun. ❖

## Your Safety

# Take these Precautions Before Going on Vacation

**G**OING ON vacation? Maybe you bought a trip to Cancun or London, or perhaps you're doing a tour of Civil War sites in the South.

While the chances of you being affected by violence on vacation are typically low, there are other risks that you need to consider: like an unexpected problem at home — such as a plumbing leak — when you are thousands of miles away, having valuables stolen, injuring yourself in a scooter crash or having your personal data hijacked.

Although the idea of taking a vacation is to leave your everyday life behind for a while, if you fail to take certain actions ahead of time, you could end up being hit with a nasty surprise.

These are some of the precautions you can take:

### Batten the hatches

According to the Insurance Information Institute, the average burglary claim is for \$3,990, while the average loss cost for water-related damage was \$12,514.

While you may think that a small leak can't cause much damage, it can if left unattended.

While a leak when you are at home may go undetected for a day or two, if nobody is home at all it can cause serious damage since nobody is there to stop it.

The time between when a leak occurs and when it's discovered directly impacts the severity and cost of water damage.

### Preventing water damage

- Turn off water main before leaving.
- Check for leaks prior to departure.
- Ask a neighbor or a relative to check on your home every few days (they can also grab your mail and put it inside).
- Install a water shut-off device if you don't already have one. If you do have one, replace all batteries and set the device to "away mode" before leaving.

### Bringing jewelry? Check coverage

While the smartest choice is to leave expensive jewelry at home, some people do like to bring it along.

A typical homeowner's policy has a \$5,000 cap on valuables so if your bling is worth more than that, you may want to consider a jewelry rider with worldwide all-risk coverage to your homeowner's policy.

### Take care of your jewelry

- Don't pack jewelry items in your checked luggage.
- Keep all jewelry in your carry-on, preferably one that you can keep on your person during the whole flight.
- When not wearing it, keep your jewelry in the hotel's main safe — not in the room safe. Keep the jewelry there until you intend to wear it.
- Don't wear your jewelry at the beach or in the pool.

### Go low-tech

While you may be tempted to share your vacation photos live or the same day you take them on Facebook or Instagram, there is a chance this can tip off would-be thieves that your home is unattended. If you are sharing, make sure you have your Facebook privacy settings to friends and family only, and consider postponing uploads to the more open Instagram.

Also, don't use the "check-in" function or hashtags, as doing so can alert local thieves that a potentially gullible tourist is in the vicinity.

In addition, unsecured Wi-Fi networks are prevalent in hotel lobbies, restaurants and other tourist destinations. Vigilant hackers can gain entry into your mobile device and your personal data on these networks, so use with care.

### Accident insurance

Injuries and accidents can happen while on vacation. The level of international medical coverage provided by your domestic insurance provider can vary greatly depending on your plan, so you may have very limited coverage — or none at all.

A travel medical insurance plan can provide the coverage you need. ❖

