

Auto Insurance Minimums

Auto insurance minimums are mandated by the state law. They also vary from state to state. However, there are some general rules of thumb that most states follow. Some of these Colorado automobile insurance minimums may even be referred to as a standard amount. The following is a brief discussion about Colorado auto insurance minimums.

One type of Colorado automobile coverage mandated by the state law is no-fault insurance coverage. It covers the policy holder only. The minimum coverage for this type of coverage is a basic liability policy, which means it pays for damages incurred by the policy holder or passengers. Once they become proficient in driving, no-fault drivers can then opt to buy more comprehensive types of protection. They can increase the level of protection on their policies by adding uninsured or underinsured motorist and bodily injury or property damage coverage.

A very common type of coverage offered to policyholders is personal injury protection, which means that it pays medical expenses and lost wages to individuals who are injured in a car accident. If the victim is injured due to the fault of the policyholder's vehicle, the policy will pay for the rest of the medical expenses and lost wages, up to a maximum of twenty-five thousand dollars per accident. Personal injury protection coverage does not pay for lost wages or past medical bills. It does not pay the policyholder or his dependents any money until the claim has been paid. This means that the policyholder may be responsible for paying the bill for a period of time before the benefits are actually received. The limit for personal injury protection varies from state to state, so it's important to check with your local agent.

Another type of coverage offered is no-fault insurance. In Colorado, no-fault coverage is usually required by law. This coverage kicks in if the policyholder's vehicle is involved in a fatal accident or is hit by a vehicle or object while on a Colorado road. The no-fault policy will pay the policyholder and their dependents some money, up to a maximum of fifteen hundred dollars per accident. The policy may also provide payment for the medical care of the policyholder and his or her family members.

Roadside assistance can mean the difference between being able to get to your destination and having to call a tow truck. To be eligible for roadside assistance coverage, a policyholder must have a current driver's license and valid contact information. Policyholders can elect to have the service provided for them at the time of the accident or at a later time. In addition, a policyholder can opt for an out-of-state reimbursement or choose to make payments for the service to be performed in the city in which they are insured.

The cost of a policy will be based on a number of factors. These factors include the amount of coverage required, whether the policy is purchased through an agent-owned company or through an insurer-owned company, the location in which the policy is purchased, and the period of time the policy is in effect. A policyholder can adjust the amount he or she wants to pay for insurance each year by increasing the per-occurrence limit on the policy. Most

policies also have a deductible, which is the amount that a policyholder must pay out of pocket before the insurance company will pay the difference.

Liability coverage is designed to pay for damage or injury to others. One might think that it would cover their car, but this is not true. For example, you can purchase an insurance policy to protect your house against a fire, but not your car. Car liability insurance is designed to cover damages to cars and other property that you might cause in an accident. In best-car-insurance.org that you do cause damage to another person's vehicle or their car, liability coverage will help you pay for the repair or replacement of the car.

When comparing auto insurance minimums, be sure to ask several questions of any prospective insurance agent. First, find out what limits are in place for your state and what is the maximum amount that you will have to pay out of pocket for coverage. Second, find out if there are limits on the type of coverage that is required. Third, find out if there are limits on who is covered under your policy. In order to make sure that you are receiving the best rate possible for your coverage, be sure to talk with several different agents about your needs. In addition, it is important to consider how much deductibles will affect your premiums.