

Legal Matters – November, 2008

Legal Matters is a column that answers your legal questions. It is written by Barry Evans, Attorney at Law, located at 550 Egret Bay Blvd., League City, TX 77573. Barry has been practicing as an attorney for over twenty-five years. If you have any questions regarding this article, you may contact Barry Evans at 281-557-1900 or you can email him at baryevans@msn.com.



What is Uninsured and Underinsured Insurance Coverage?

In theory, every driver on Texas highways is covered by liability insurance to protect other drivers. In reality, many people drive without insurance, or they hit and run, or even if they have the minimum coverage required by law, it is not enough to cover the other driver's damages. This is where uninsured coverage and underinsured coverage come in.

An uninsured driver is someone who either has no insurance or who hits and runs. An underinsured driver is one who does have liability insurance, but in an amount that is not enough to cover the other driver's damages in a particular situation. For example, a negligent driver might have \$25,000 minimum coverage but be found liable for \$50,000 in damages to you individually. If you have underinsured coverage, it would pay the \$25,000 difference.

Texas law gives you the opportunity to buy insurance coverage to protect yourself against both uninsured and underinsured motorists. This coverage is optional, but your insurer must offer you the opportunity to purchase it, and your refusal to purchase it must be in writing. This coverage protects you, your family members, passengers in your vehicle, and anybody driving your vehicle with your permission.

You can buy uninsured or underinsured motorist coverage in the minimum amount or in a larger amount up to the dollar limits of your liability policy. Unfortunately, insurance companies will not let you buy uninsured motorist coverage in an amount greater than your liability coverage. If you are not sure what choice you made when you were offered the opportunity to buy this coverage, talk to your insurance agent.

Your liability coverage protects you from having to pay damages to someone if you cause an accident. Your liability policy will not pay your expenses resulting from an accident with an uninsured or underinsured motorist. Uninsured motorists often have few assets, and you could face significant financial hardship if you do not have the coverage and you are injured by such a driver.

Even if the other driver has liability insurance, it may be only the minimum amount, and this coverage can quickly be exhausted. Medical care is expensive. A two day stay at a hospital could easily exceed \$25,000.

How Do I Protect Myself?

Purchase the most amount of both uninsured and underinsured motorist coverage you can afford. This may be your only protection against uninsured and underinsured motorists.

Editor's note: *The information in this column is not intended as legal advice but to provide a general understanding of the law. Readers with legal problems, including those whose questions are addressed here, should consult attorneys for advice on their particular circumstances.*