

## **Buying UM/UIM Coverage (uninsured, underinsured motorist coverage)**

It is much easier to save money on your car insurance than your home insurance. Insurers compete hard for auto customers. That's because it's easier for them to make a profit and the risks are much more predictable.

So if you have a decent driving record and an average value car, you can get all the “bucks for the bang” you need without spending a fortune. Plus you can probably afford to buy good protection for injury accidents – not just the bare minimum your state requires you to carry. Remember – UP does not sell insurance, so if we suggest that you consider increasing your bodily injury and property damage limits – you can trust that it's for your own good – not ours...

Given that one in every seven drivers has no insurance, ***it's essential to carry plenty of uninsured (UM) and underinsured motorist insurance (UIM)***. There are two kinds of UIM: “Excess” and “Set-off.” ***Excess is better.***

Let's say you're injured in an accident caused by Mr. Distracted and you suffer \$150,000 in damages and medical bills. Mr. Distracted only has \$50,000 of bodily injury coverage. You have \$100,000 in UIM coverage. If you have an Excess UIM policy: You recover a total of \$150,000, your full \$100,000 in UIM benefits plus \$50,000 from Mr. Distracted.

If you have a Set-off UIM policy: You only collect \$100,000, half of your UIM benefits \$50,000, plus Mr. Distracted's \$50,000, because your benefits are offset by the amount of his insurance. UP supports legislation to give consumers better UIM options.

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