

Ridesharing: Auto Insurance Options

If you're earning money through ridesharing with companies like Uber, Lyft, or Sidecar, your personal auto policy might not provide coverage while you are logged on to the ridesharing app or carrying a paying passenger depending on its terms and conditions.

There are several new insurance options for ridesharing drivers being rolled out that can ensure that you, your vehicle, and your passengers are adequately covered. You can add one of these options to your current car insurance to be protected when you're using your vehicle for personal or ridesharing use.

Companies like Uber, Lyft and Sidecar maintain coverage and generally provide **at least** the state mandated liability coverage while you are logged into their rideshare app. Additional primary coverage is also maintained by these entities from the moment you accept a ride request until the last passenger departs from your vehicle. Companies such as Uber maintain a primary commercial automobile liability insurance policy with high commercial liability coverage limits (e.g., \$1M). This liability coverage covers you for damages to other persons or property if you are at fault in an accident. These policies also may contain other coverages, such as UM/UIM coverage and personal injury protection coverage, depending on the state you are operating in.

When you have an app on, but you're not yet matched with a rider, one way to ensure adequate coverage that meets your own individual needs, **is to purchase rideshare specific coverage through your own personal auto insurance policy**. Several insurance companies are now offering coverage that can be purchased as an add-on to your personal auto insurance policy. This add-on coverage will protect you while you have a ride-share app open but either have not yet accepted a ride request or match, or if you forget to turn off the app when driving for pleasure. It should match the types of coverage and limits you have already purchased on your policy for non-work vehicle use.

If you are a TNC driver it makes good economic sense to buy a ride-share endorsement (add-on to your personal policy) or a new policy tailored to your individual situation. If you do not buy specific rideshare insurance, be aware that transportation network companies typically maintain insurance coverage that will provide some coverage in the event of an accident, but it may be limited to liability coverage only. It may not cover your medical costs or damage to your car.

For more information on Auto Insurance, read: [Auto Insurance Basics](#)

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Source: <https://uphelp.org/buying-tips/ridesharing-specifics-auto-insurance-options/> Date: June 8, 2026