

Buying Car Insurance

***We Blame the Insurance Companies and Their Agents
for Not Thoroughly Explaining -- and Urging You to Buy
-- the Most Important Insurance Protection Available in
Texas***

(They Won't Tell You, So We Will!)

***The Ultimate Guide to Protecting Your Family
From Irresponsible Drivers in Texas***

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***Read Inside to See How to Protect Your Family
Against Uninsured Drivers***

Learn:

- **Why, if you file a lawsuit, your health insurance company may want to take all of the money and leave you with nothing.**
- **Why you won't hear the details of this report emphasized by any insurance agent.**
- **What (exactly) you must ask your agent for to get this protection.**
- **How you can protect yourself through your own car insurance policy even if the other driver has no insurance.**
- **Why it is so important that you read and understand your car insurance policy. (Most people cannot answer 5 simple questions about their own policy.)**

Who is Behind This Report

- and -

“Why Should I Listen to You?”



I want to first thank you for requesting this report. I think that the information I give you here will help you in your quest to understand the basics of an automobile insurance policy.

I have written this book so that consumers could have good, solid information that will help protect them against irresponsible drivers. After meeting with hundreds of potential clients and asking them what they knew about their own car insurance policies I discovered that the insurance industry had done a very poor job of educating their own consumers. As you will see, it is my opinion that this is not a mistaken oversight on the part of the insurance industry.

Rather, there appears to be a deliberate attempt to keep consumers “in the dark” about the most important car insurance they could buy.

Look, we don’t sell insurance so we don’t have a dog in this fight! We challenge any car insurance agent who disagrees with this report to sit down and explain their disagreement with us. We’ll buy the lunch on the condition that we can write about your disagreement for the public. Deal?

My name is Andrew Traub and I represent individuals against insurance companies. Most of my practice is accident, injury and litigation cases; so, if you want a divorce or have a traffic ticket, I can’t help you. ¹ You can find out more about me at my web site at www.Attorney-Austin.com, an award winning website. Thousands of articles are downloaded from the site each month.

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- *Fighting Insurance Companies – not representing them*
- *Lecturer on Handling Personal Injury Cases for Lawyers*
- *Author of Numerous Consumer Books and Reports*
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¹ If you live in Texas, call us anyway if you have a case in these areas. We can usually provide you with the name of other attorneys who may be able to help with your situation. We do not charge for this service.

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MOST TEXANS CARRY SHOCKINGLY LOW CAR INSURANCE

You get that terrible phone call – your husband has been seriously injured in a car wreck. He has been hit head on by a teenage drunk driver.

You go to the hospital and find your husband is in a coma and has a brain injury and grotesquely broken arm. The doctors want to amputate. The nights at the hospital are long and tense, but he eventually comes out of the coma. Now the real work begins. He's sent to a rehabilitation center to re-learn skills he lost because of his brain injury and amputation. It will be years before he can become employed. The costs are astounding:

- *\$18,526.89 for every day in intensive care*
- *\$8,251.59 for the rest of the days in the hospital*
- *\$2,784.98 for every day spent in the rehabilitation center*
- *\$???? for the lost ability to work*
- *\$???? for future medical care*

Community Hospital Report of Admission

History:

This 45-year-old man is the father of three young children who was in a car that was hit head on by a teen-age drunk driver. The patient was thrown through the windshield of the car. The patient was unconscious and was intubated. This occurred about 25 minutes ago. The patient had an obvious open radius and ulnar fracture of the right arm with bone sticking out.

Examination:

The patient has a traumatic brain injury with a frontal lobe contusion. He intermittently follows a command. He also has a grade III *horrible* open fracture of his right radius and ulna that needs to be amputated tonight. Because of his frontal contusion and the fact that he is going under anesthesia, neurosurgery has been consulted and they will put a monitor in his head so we can monitor his intracranial pressure during his procedure. He is aware of the risk of further brain injury. The patient also has a laceration to his head and other contusions on his back and arm.

There's one thing this family didn't think it needed to worry about – how to pay the astronomical medical bills. Surely they could sue the drunk driver. He is required to have auto insurance—isn't he? The medical bills and lost wages would be paid out of a claim made against the teenager's car insurance policy, right?

WRONG!

This nightmare was just beginning for our client when he and his wife came into our office. We told them that Texas only requires minimum insurance coverage of \$20,000, but plenty of people drive without even that. We'll need to check on how much insurance the drunk driver had before we can help you with your case," we advised.

We did some checking around and found out that the drunk driver did not have insurance.

MORE BAD NEWS WAS COMING!

This family's medical bills were paid by an insurance plan from the husband's employer. This was a relatively new type of plan. This plan says, "If we pay your medical bills for an accident and the accident was someone else's fault, we want to be repaid for every penny we spent before you collect a dime for yourself."

In other words, even if we get any money out of the drunk driver, the health insurance company wants it all!

WHAT ABOUT SUING THE DRUNK DRIVER?

“Sure, we can do that,” we told them. “but what does he have? He’s only a teenager. He’s not employed and we learned that he is now in jail. If we sue and win, he can file for bankruptcy protection and never have to pay you.”

**THEN WE ASKED THEM THE QUESTION
THAT ALMOST NONE OF OUR CLIENTS CAN ANSWER:**

“How much Uninsured Motorist Insurance Coverage did you buy from your own car insurance company?”

“I have no idea what you are talking about,” they said.

We told them to bring their own car insurance policy in and let us look at it.

They did that but, unfortunately for the family ...

***No one ever explained to them the importance of buying
lots of uninsured motorist coverage.***

We Blame the Insurance Companies and Their Agents for Not Thoroughly Explaining -- and Urging You to Buy -- the Most Important Insurance Protection Available in Texas

They Won't Tell You, So We Will!

WHAT IS INSURANCE?

When you buy insurance, you have a contract between the insurance company and you. You pay the premiums, and the company will protect you – even from uninsured drunk drivers.

WHY IS MY AUTOMOBILE POLICY SO LONG AND COMPLICATED?

We can't blame the companies for producing policies that no one understands. Most of the wording of a car insurance policy is required by law. Insurance policies in Texas do not vary much from company to company.

There are two major parts of your policy that you must understand: The liability coverage and the uninsured motorist (UM) coverage.²

Liability insurance protects your assets if you cause a car wreck and hurt someone. The **liability** coverage you have will protect your assets from the person you injured. The insurance company will defend you (including hiring an attorney for you if you are sued) and pay the injured person up to the limits of the **liability** coverage you bought.

² Of course, there are lots of other coverage available, such as towing, rental car and wage loss. None are anywhere near as important as liability and uninsured motorist.

UNINSURED MOTORIST INSURANCE

If you buy **Uninsured** Motorist insurance (**UM**) and a driver who has no insurance **hurts you**, then your insurance company will pay you damages up to the limits of **UM** coverage you bought. Since the other driver is uninsured, your company pays you. (Don't feel bad—you paid for this protection.)

UM coverage is also very important for another reason. If you are the victim of a “hit and run” and the other driver is never caught, your **UM** coverage will protect you.³

Finally, your Uninsured Motorist Coverage will also protect you if the other party had less insurance than you did. If you get hit by someone who bought a low amount of insurance (\$100,000 or less) your own policy will provide you protection up to the amount that you bought for yourself.

Why don't they tell you that?

Just What Does “\$50,000/\$100,000” Mean, Anyway?

Whenever auto insurance coverage is expressed as \$50,000/\$100,000 or \$300,000/\$500,000, the policy is telling you what coverage is available “per person” injured in the accident and what total coverage is available for any one accident. So, if you have \$50,000/\$100,000 coverage, each injured person would be covered up to \$50,000, but the total coverage available for the accident is only \$100,000. If five people are hurt in the accident, the **most** any one person would be paid is \$50,000 but all five people would have to **share** the total of \$100,000. In this situation, if any one person's damages exceeded \$50,000, or if the entire claim of all people in the accident exceeds \$100,000, you would be personally responsible for what the policy did not pay.

Do you see why we recommend a review of your policy?

³ We estimate that up to 50% of all Texas drivers are uninsured or carry minimal insurance.

**JUST HOW MUCH UNINSURED MOTORIST COVERAGE
SHOULD YOU BUY?**

Buy as much UM coverage as your insurance company will sell you,

plain and simple.

**A Sample Insurance Policy “Declarations Page” is at the
Back of this Book**

Your insurance company must OFFER UM coverage to you; however, they may not tell you how IMPORTANT it is. Since they don't explain the "reason why," you may have thought the agent was just trying to "sell you something you don't need."

Buy the highest limits you can afford.

WON'T TEN TIMES AS MUCH INSURANCE COST TEN TIMES AS MUCH?

Maybe you think if you have \$25,000 in liability coverage and you want \$250,000, your premiums will be ten times as much.

WRONG!

It can be confusing to get all the information you need to make informed decisions about how much insurance coverage you can afford, so we did a cost comparison of premiums charged by five large insurance companies. Here's what we found:

GEICO – The difference between \$25,000 and \$250,000 was about \$350 annually.

Allstate – The difference between \$25,000 and \$100,000 was about \$500 annually.

Progressive – The difference between \$25,000 and \$250,000 was about \$400 annually.

State Farm – The difference between \$25,000 and \$500,000 was about \$400 annually.

Nationwide – The difference between \$50,000 and \$500,000 was, astonishingly, about \$100 annually (\$8.33 per month!).⁴

If you call your own insurance company about buying more coverage, you may find that the increase in your premium is not the same as the ones our research showed; however, you will be surprised that the increase is nowhere near five or ten times what you presently pay.

⁴ Each of these companies has a web site where you can get sample premiums. We priced premiums in the summer of 2007 for a married couple in their mid-20s with good driving records. Every insurance customer is different. We show you these results to show you the POWER of a few extra dollars and the IMPORTANCE of increasing your UM coverage.

**AND NOW THE BIG QUESTION: WHY DOESN'T THE
INSURANCE COMPANY ISSUE A REPORT AND
RECOMMENDATION JUST LIKE THIS?**

***Answer: Because it's a great deal for you
and a rotten deal for them!***

Just do the math!

You pay a little more money for a lot more protection

And ...

While the insurance company can find out a lot about you and price your liability coverage correctly, (i.e. it can refuse to sell to you if you have a bad driving history)

...

***It can't do anything about the drunks driving
around without insurance!***

Insurance companies like security and certainty, and they get neither when they sell you high amounts of UM coverage.

Turn the page to find out exactly what you need to do now.

Take out your policy and review the “Declarations Page.” It’s the one that shows what coverage you have and what you pay for them. (If you can’t figure it out, fax it to us at 512-275-3786.)

If it’s anything less than \$1,000,000 (yes, one million dollars) then call your agent and ask this question: What would it cost me to upgrade my insurance to \$1,000,000 of liability and \$1,000,000 of UM/UIM coverage?⁵

The agent will probably (1) suggest you don’t need that much, or (2) suggest you buy an “umbrella policy.”⁶ Don’t accept these suggestions; just get them to price the coverage. Then, get them to price the coverage downward. For example, get them to price \$250,000, \$500,000, etc.

Make a choice and buy the additional coverage.

If you have any questions, please call us –

We feel that this information is so important that we will waive our \$200 fee to sit down and explain this to you and walk you through, step-by-step, the process of increasing protection for you and your family.

⁵ By law, the UM cannot exceed the liability coverage.

⁶ Very few umbrella policies provide UM coverage. When we bought coverage from GEICO, three different sales representatives told us over the phone that the umbrella policy was the best choice because it provided UM coverage. It did not!

Fewer Cases—More Time For You

We are “different”.

We don't rely on a high volume of cases. We don't claim to handle every type of law under the sun. We don't want to. We don't need to.

Each year, we accept a limited number of serious injury, accident and disability cases from the hundreds of people who ask us to represent them. We are not a “**TV advertising personal injury mill.**” Paralegals and assistants do not negotiate our cases with the insurance company. Fewer cases means more time for you and, we believe, better results overall.

I have represented accident, injury, and disability claimants throughout the entire state of Texas. Most of the cases are referred to us by former satisfied clients and by other attorneys. If we accept your case and you are not local to us, we will come to you.

Sometimes the best advice you can get when you are thinking about a lawsuit is that you do not have a claim that can be won. If that is true, we will tell you. We'll also tell when we think you are better off handling a claim yourself—without an attorney. But, if your case passes our test and we accept it, you can be assured that you will receive my personal attention. I will aggressively represent you, keep you up to date on what is happening in your case and give you my advice as to whether you should settle your case or whether we should go to trial.

We will fully explain all fees and costs to you before we start working on your case.

Together, as a team, we will decide on the best tactics for your case.

Andrew Traub

Free Newsletters From Andrew Traub

Want to know how to best deal with insurance company denials? Want to find out specific steps you can take to find the best lawyer for you case? Want to read the “inside story” about frivolous lawsuits? Would you like some practical advice about buying insurance from someone who does not sell insurance?

These are some of the topics that are covered eight times a year in a free newsletter sent to your home by Austin attorney Andrew Traub.

Mr. Traub strongly believes that most legal disputes could be avoided if people had a better general knowledge about the legal system, insurance coverage and the insurance claim process.

There is absolutely no cost or obligation and from time to time we run contests to give away free stuff!

If you subscribe and later feel like we are wasting your time, there is an 800 number in every issue that you can call to “unsubscribe.” Don’t worry, this is not the boring, “canned” newsletter that most firms buy and slap their name onto. We write it and we aim to provoke people to pay more attention to their legal affairs.

There is no need to destroy this book. Just photocopy this form, fill it out and mail or fax it to us. Fax to 512.275.3786 or mail to Andrew Traub, 7719 Wood Hollow Drive, Suite 200, Austin, TX 78731

Please start my subscription to your free legal newsletter:

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

If you would like to also receive our email newsletter, published 12 times a year just give us your email address. We do not share out mail/email lists with anyone!

(email)

Five Deadly Sins That Can Wreck Your Accident Case

Now a free book is available for car accident victims before you talk to the insurance company or hire an attorney. Thousands have benefited from reading this book.

Copy and fill out this form and mail or fax it to us to learn:

- What are five specific ways you can ruin your valid injury claim?
- What “service” provided by some lawyers can actually be the “kiss of death” to your claim?
- Can your health insurance company force you to repay it if you win?
- What is one document you should never sign for an insurance company?
- Is the “standard” “one-third attorney fee” really standard?

There is no need to destroy this book. Just photocopy this form, fill it out and mail or fax it to us. Fax to 512.275.3786 or mail to Andrew Traub, 7719 Wood Hollow Drive, Suite 200, Austin, TX 78731

Please send me ***Five Deadly Sins That Can Wreck Your Accident Case***

Name: _____

Address: _____

City: _____ State: _____ Zip: _____