

Motorcycle Insurance - How much is enough?

So, after reading the last two articles on this subject, you have decided to go and see your friendly neighborhood insurance agent about purchasing a policy. You are taking the first article with you, so you know what the different type of coverages are. Here is the information that the agent will need in order to put together a quote for you.

- Year, Make, Model, Engine size of your ride and the Identification Number
- Your driver information, drivers license, date of birth, and (probably) social security number
- Value of the Bike (if you will be purchasing Comprehensive and Collision)
- Value of any customization that you have done to the bike (if you will be purchasing Comprehensive and/or Collision coverage)

Once the agent has gathered all of that info, he/she will want to know...how much coverage (liability, Uninsured Motorist, etc) do you want? **Good question**.....the answer is different based on every individuals circumstances, but here are some items to consider and some general guidelines that we use in our agency.

1. How much protection do you need? Or, what do you have to lose?

Think about your current assets, future assets, current and future earning capacity cause that's what they can take away from you if you hurt someone and that is what the liability portion of the policy is there to protect. Don't skimp here..

2. How much coverage do you currently carry on your personal automobiles?

We recommend that our clients carry at least as much liability on their bikes as they do on their auto's. Our minimum suggested limit of auto liability is \$100,000 per person and \$300,000 per occurrence. Think about it, it wouldn't have to be all that bad of an accident for someone to have \$100,000 in medical bills. We also recommend a minimum of \$50,000 in property damage liability

3.. How much damage do you think you might do to someone else (or their property) in the event of an accident?

Do you know anyone that has been injured on a bike? What were their medical bills? **I think Hark can tell you a personal story about an injury that he had with medical bills costing hundreds of thousands of dollars.**

Now, here's a scary thought that went through my head a month or so ago when I was riding with a large group in a Poker Run.....What if one of us went down, in the middle of the pack? How many of our fellow riders may be injured in a multi-bike pileup, or trying to avoid the accident? Fortunately, we all finished the run safe and sound...

4. How much coverage would you like to have for yourself in the event that you are injured by a driver without any/enough insurance to pay for your damages?

Florida has the third highest (24%) percentage of uninsured drivers in the United States according to a study that I just read. If you think about it that means that you are always in sight of a "Cage" with no insurance. Seriously, you are rolling down SR 44 (or any other country road) on a warm sunny Florida afternoon, there is a car in front of you, one behind you and one at both stop signs as you

go through an intersection, (statistically) one of those cages is uninsured. I don't know about you, but I think Murphy will help decide which one pulls out in front of you....and it won't be the one with good insurance!

You can only buy as much uninsured motorist coverage as you buy liability coverage.

5. Do you wear a helmet when riding?

As you saw in the last article, if you ride without a helmet then you are required to carry at least \$10,000 in medical coverage, so, if you plan to use your motorcycle insurance policy to meet this requirement, you will need \$10,000 in medical payments

6. Do you want coverage to replace/repair your bike if it gets damaged?

In that case you also want Comprehensive and Collision coverage to be included. My recommendation is to choose as high of a deductible as you can afford to help reduce your cost.

Now, once the agent has all of this information, they will plug and chug some numbers into the computer and come up with a quote. Before they do that though, here are just a couple of items that can help lower your costs..

\$\$-If you have taken a Rider Safety class - you may be eligible for a Discount
\$\$-Homeowner – Get a discount on your motorcycle policy if you own your own home.

\$\$-LoJack – Receive a discount if your bike is equipped with LoJack® for even more affordable motorcycle insurance.

\$\$ -Paid in Full – Pay the full amount of your policy receive a discount

\$\$ -Responsible Driver – No accidents or violations on your driving record for the last three years translates to a discount.

I hope that you are enjoying this great riding weather on our Central Florida roadways. If you need assistance or have any questions about this or any other insurance related item, please don't hesitate to contact me at Kevin@hillcrestinsurance.com or give me a call at 352-383-8164

Now (once again), to make the attorney's happy - please be aware that this information is a very simplified overview of Motorcycle insurance. Always consult your actual policy documents to get specific information related to coverages, policy endorsements, conditions, limitations and exclusions.....and discounts!!

Submitted by Kevin McEwen, President Hillcrest Insurance Agency, Your Biker Agent!