

Insurance Lessons from Life

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Buying the motorcycle had stretched out budget more than we had planned, but who could resist the shiny chrome on the Harley?

When Sue Haley, my insurance agent, quoted me the cost of collision and comprehensive insurance my thought was "uh oh, I have to get the cost down." So I started my own version of a "line item veto" to strike anything that wasn't mandatory or that I thought I wouldn't need.

When it came to "Uninsured, underinsured motorist" I had found some savings. "Texas, I reasoned, requires all motorist to have liability insurance. Therefore if anyone else causes an accident he (or she) will be covered so therefore I do not need to buy this coverage..."

Sue, in a very kind way, tried to point out that the cost was very minimal. But my mind was made up and I "knew" that she was just trying to make more money.

It was almost midnight on a rain-slick highway that I slowed to make a turn into our neighborhood. In my rearview mirror I could see a set of headlights coming up behind us at a high rate of speed. It was one of those moments when you make a lightening quick calculation factoring in speed, direction and distance and know instantly that you are going to get hit.

The noise was deafening as the car struck the rear of our bike and

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sent me, and it, skyward while rolling my wife off the hood of the car. The driver never even slowed down. From my position lying in the roadway I watched the hit-and-run car roar off into the distance. He was never caught. Our beautiful bike was totally destroyed.

In my theory of "insurance is required in Texas" I never considered the possibility of a hit-and-run accident. (I have since realized that just because insurance is required doesn't necessarily mean all drivers really have insurance.)

When I called to start my claims process I realized what a foolish financial decision I had made. Instead of thinking that I couldn't afford the coverage I found that I really couldn't afford not to have it.

Lesson Learned #1. You can protect yourself from being hurt by buying uninsured/underinsured motorist coverage. Stuff happens, without the UI/UI coverage you have little chance of recovering payment for damages you or your vehicle sustain if you are involved in an accident with a driver who has inadequate coverage, no coverage or does a hit-and-run on you.

In our case we totally lost the equity that we had in our bike, paid our own medical bills, and received no compensation for lost wages. The total costs of trying to save a few bucks was astronomical!

Lesson Learned #2. Find a great insurance agent that you trust and then listen to them, they have seen it all before and they will help you keep adequate coverage.

