

## OVERVIEW

If you are ever involved in an auto accident, whether you are the driver or a passenger in the car, knowing the basics about auto insurance coverage and what to do after an accident can help to minimize stress and out-of-pocket costs for your family.

Driving a car most likely will be one of your first major independent responsibilities. This involves taking on the financial responsibility to cover any property or physical damage caused by your actions, regardless of who owns the car. With basic knowledge about how auto insurance works, you can be better prepared to take proper action when involved in a stressful accident situation.

In this lesson you will learn about how auto insurance works and what to do if you are ever involved in an auto accident or witness to an accident.

## LEARNING OUTCOMES

In this lesson you will demonstrate how to navigate through the events and financial obligations that happen after an auto accident.

- Explain how auto insurance works.
- Clarify what is covered by auto insurance.
- Outline what to do after an auto accident.

Use what you learn to demonstrate what a person should do after being involved in or a witness to an auto accident.

## LEARNING TASKS

These tasks match pages 25-30 in Student Guide 6.

— 1.	Can you separate fact from fiction? See if you can identify what is true or false about auto insurance.
— 2.	Find out what is and what isn't covered by auto insurance. Then test your knowledge to see what type of coverage addresses the situations listed in the <b>Task: Match Auto Insurance Coverage</b>
— 3.	Demonstrate what to do if you are ever involved in an auto accident.
— 4.	If you have ever been involved in or a witness to a vehicle accident, reflect on what you think you handled well. What do you wish you had done differently? Why? What do you think are the most essential actions to take after being involved in an auto accident?
— 5.	Complete the Challenge to devise an <b>Auto Accident Prep Plan</b> .

### TAKING IT HOME

If your family owns a vehicle that is insured, ask to review the Insurance Declaration Page to find out what is covered in the policy. Skim the entire policy to find out specifics of what is covered and what is not covered.

### TAKING IT HOME

Work with family members to inventory the items that are kept in your family's vehicle(s). Ensure that any required documentation is current. Check for supplies and equipment that might be needed and useful during a mishap. Remove any unnecessary items that might not be covered by insurance while stored in the vehicle.

### FURTHER STUDY

Check with your state's Department of Motor Vehicles (aka DMV) to become familiar with any state requirements for minimum auto insurance coverage, proof of insurance and accident reporting.

# Activity 6.6: Auto Insurance Coverage



**NAME:**

**DATE:**

**Directions:**

1. Scan a one-page summary of the coverage amounts (aka Declarations Page) of a sample auto insurance policy.
2. Go to your state’s Department of Motor Vehicles website. What are the state requirements for auto insurance coverage? Search word hints: [your state] required auto insurance coverage.

Disclaimer: This sample is provided only for instructional purposes and does not represent an existing, valid insurance policy.

DECLARATIONS	
FAMILY CAR POLICY	
POLICYHOLDER/NAME INSURED: XXXX XXXX	POLICY NUMBER: 00000-01234-678999
ACCOUNT: S003-5678	EFFECTIVE: From 10-09-201X TO 04-09-201X
2011 Hyundai Elantra GLS/SE/LTD	VIN: XXXXXXXXXXXXXXXXXXXX
VEHICLE SYMBOL: 24 CLASS: City 9X	
COVERAGES AND LIMITS PROVIDED	
*BODILY INJURY LIABILITY	
\$100,000 EACH PERSON	\$300,000 EACH OCCURRENCE
*PROPERTY DAMAGE LIABILITY	
\$100,000 EACH PERSON	\$100,000 EACH OCCURRENCE
*COMPREHENSIVE	
	\$100 DEDUCTIBLE
*COLLISION	
	\$250 DEDUCTIBLE
ADDITIONAL ENDORSEMENTS THAT APPLY TO YOUR POLICY:	
*ENDORSEMENT - RENTAL REIMBURSEMENT \$20 DAILY LIMIT, \$600 MAXIMUM	
*ENDORSEMENT - UNINSURED MOTORISTS–BODILY INJURY ONLY	
\$100,000 EACH PERSON	\$300,000 EACH ACCIDENT
*ENDORSEMENT - UNDERINSURED MOTORISTS–BODILY INJURY ONLY	
\$100,000 EACH PERSON	\$300,000 EACH ACCIDENT
*ENDORSEMENT - MEDICAL EXPENSE \$10,000 EACH PERSON	
*ENDORSEMENT - EMERGENCY ROAD SERVICE COVERAGE	
MULTIPLE VEHICLE, GOOD STUDENT, AND AIR BAG DISCOUNTS HAVE BEEN APPLIED	
*OPTIONAL COVERAGES YOU HAVE PURCHASED. STATE LAW REQUIRES BODILY INJURY LIABILITY AND PROPERTY DAMAGE LIABILITY LIMITS OF 25/50/15. HIGHER COVERAGE LIMITS ARE AVAILABLE AND RECOMMENDED.	
Declarations effective on the date shown above. These declarations form a part of this policy and replace all other declarations which may have been issued previously for this policy. If this declarations is accompanied by a new policy, the policy replaces any which may have been issued before with the same policy numbers.	
AGENT: XXXX XXXX	PHONE: 800-555-####

## Activity 6.7: Whoops! There's Been an Accident

### Directions:

Participate in a group roleplay for one of the scenarios below to demonstrate what to do immediately after being involved in or witnessing an auto accident.

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### Scenario A:

You just received your driver's license this week, and now you can drive one of the family cars to school rather than ride the bus. Only a week after getting your license, you walk out to the school parking lot after a football game to see two classmates looking at the back bumper of your car.

As you get closer, you see what they are looking at. It turns out that the classmate backed into your car, causing damage to the bumper and license plate. His car also has damage, and he looks concerned. As you recall, he was involved in a car accident a few months ago.

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### Scenario B:

You and a friend are cruising along on the highway, on your way home from visiting a friend in a neighboring town. Luckily your friend has reflexes like a cat when the brake lights flash on the car in front of you. As the other car comes to a complete stop to avoid a dog in the road, your friend slams on the brakes and is able to skid to an abrupt stop just in time to avoid hitting the stopped vehicle. You can hear the car behind you screeching to a stop and wait for the impact, but it appears that the driver was also able to stop in time to avoid a collision.

Just as you let out your breath, you hear more tires squealing on the pavement and then a crash. The impact from the fourth car causes a chain reaction that pushes the car behind you into your vehicle which in turn is forced into the first car. The drivers from the two back cars immediately jump out of their cars and start yelling at your friend and the first driver for stopping so abruptly.

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### Scenario C:

Oh my, you are cutting it close to get to work on time. You should have left earlier than usual to allow the extra time needed to navigate on roads during a snowstorm. Unfortunately, you have miscalculated how slippery the roads are due to the snow, and you are unable to stop at the intersection even with the brake pedal slammed all the way to the floor.

You skid through the intersection into the path of another car. Good thing the driver approaching from the left is driving well below the speed limit when she T-bones your car. The last thing you remember before hearing the crunch of metal and feeling the impact is the look of alarm on the faces of people waiting at a nearby bus stop.

# Task: Match Auto Insurance Coverage

NAME:

DATE:

**Directions:**

Read each scenario, and then select the type(s) of auto insurance coverage that could be applied to the situation based on information provided. Assume that any insurance deductible will be deducted when claiming insurance.

Scenario	Bodily Injury Liability	Medical	Property Damage Liability	Comprehensive	Collision	Uninsured Motorist-Bodily Injury	Uninsured Motorist-Property Damage
<p><b>1</b> You were driving with friends on your way to a movie. As you reached to adjust the radio, you swerved off the road and crashed into a light pole. Your passengers were not seriously injured, but everyone in the car received minor medical attention at the scene.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>2</b> Your friend has an old junker jeep valued at less than \$700. As she left school one day, she hit a parking sign while driving 15 miles an hour, causing damage to the sign and the car.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>3</b> While waiting on a busy street to turn left into a parking lot, another vehicle struck your car causing your head to hit the steering wheel. You were transported to the hospital by ambulance. The other driver had failed to pay his insurance premium for several months, and his policy was not valid at the time of the accident.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>4</b> You dad was leaving McDerrick's restaurant when he backed into a Ferrari. Only the automobiles were damaged; there were no physical injuries.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>5</b> You drove to a paintball park with some friends. While you were in the park, someone stole the hubcaps off your car.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><b>6</b> While driving home from work in the evening, you swerved to avoid hitting a deer. You missed the deer but came to an abrupt stop due to slamming into a tree.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>