Unless you sell cars or work as a car accident attorney, the world of auto insurance can quickly get overwhelming. To help our community navigate this often-confusing industry, Clifford Law Offices is dedicating a new series on this blog to breaking down the elements of your auto insurance: what they are and why they matter when it comes to protecting yourself and your family on the road.

Today, we start by answering some questions about auto liability insurance.

If you own a car in the state of Illinois, you will undoubtedly have purchased liability coverage as part of your insurance plan. If you’re at fault for a car accident, liability is the portion of your insurance that covers injuries and damages sustained by other people involved in the crash.

Here are some of the most common questions about liability and why you should purchase as much as you can for your auto insurance.

**ARE THERE DIFFERENT TYPES OF LIABILITY COVERAGE?**

Generally, liability is broken into two types: bodily injury liability and property damage liability.

Within bodily injury lies a wide range of damages the other party can claim. Those...
include economic damages, like medical bills or lost wages, and non-economic damages, such as the loss of a normal life or pain and suffering.

The injured party could also file a claim for property damages, which, without liability insurance, you would be required to pay out of pocket if the other person won their case.

**WHAT DO THE DIFFERENT NUMBERS ON MY POLICY MEAN?**

If you look at your insurance agreement, you’ll typically see numbers like this:

- 25/50/20

These numbers represent the three areas your policy covers. A 25/50/20 number breaks down as follows:

- **$25,000:** This represents the maximum amount an insurance company will pay out for a person for their injuries.

- **$50,000:** This is the maximum amount that the policy will pay per occurrence.

- **$20,000:** This represents the maximum amount the insurance company will pay out for the other person’s vehicle.

The numbers change based on how much coverage you choose to buy. A 25/50/20 combination, in Illinois, would be considered the state minimum for a driver to have. For more coverage, the numbers might read 100/300/100. In this case, the insurance company would pay $100,000 for each person, $300,000 per occurrence, and $100,000 for property damage.

If the other party has costs related to the accident that go above these maximums, they can file a personal injury suit to try and claim the remainder.

**DO I HAVE TO HAVE LIABILITY INSURANCE?**

Almost all U.S. states require you to purchase some minimum amount of liability coverage. In Illinois, drivers must purchase a minimum of 25/50/20 coverage.

**HOW MUCH LIABILITY SHOULD I BUY?**

As much as you are able to afford. The more coverage you have, the more it protects you are at fault for an accident. Generally, the liability coverage you have will mirror the coverage provided to you for your uninsured/underinsured. We will discuss this more in a later blog post.

**WHAT DOES LIABILITY NOT COVER?**

A very important point to make is that liability does not cover your own losses, be they injuries or property. We will discuss things like MedPay and Collision insurance in a later post.
Rather, liability is intended to protect you in situations where you may be at fault.

Liability is an extremely important factor in any car accident. It can also be a complex topic to navigate if you are involved in a personal injury case.

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