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Covering all the bases

Auto insurance is a package of policies that cover you, your passengers, your property, other drivers, and their property for various risks. Below, we tell you what is offered, what you have to buy, and how much you need.

Coverage	What it pays for	Necessary?	How much?	Additional
Liability	Medical, rehabilitation, and funeral bills for your passengers, the other driver, and his passengers; pain and suffering; and legal costs. Also repair or replacement of the other driver's car.	Required by most states.	For bodily injury, \$100,000 per person and \$300,000 per accident. For property damage, \$100,000.	If you have an expensive home and a stock portfolio, increase your bodily-injury limits to \$250,000 per person and \$500,000 per accident. The extra coverage will increase your premium by 10 percent.
Uninsured/underinsured motorist	Medical, rehabilitation, and funeral bills for you and your passengers from an accident caused by a motorist with insufficient or no coverage.	Required by most states.	Same as above.	Same as above.
Collision and comprehensive	Repair or replacement of your car if it is stolen or damaged in an accident or as a result of a storm or natural disaster.	Yes, if you lease or have financed your car.	Keep the deductible as high as you can afford, but no less than \$500.	Drop coverage when the premium equals or exceeds 10 percent of the car's book value.
Personal-injury protection (PIP)/medical payments	Reimbursement for lost wages; medical bills for you and your passengers.	Optional.	\$5,000.	You don't need this if you have good health insurance, but you might want it for uninsured passengers.
Roadside assistance	Towing.	Optional.	The minimum.	Unnecessary if you have auto-club membership.
Rental reimbursement	Rental-car payment while your car is in the shop.	Optional.	The minimum.	Unnecessary if you own a second car. Otherwise, it costs \$30 a year.

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