



NW Insurance Council

Consumer Alert

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Uninsured driver rate a concern – and a reminder to review your auto coverage

New study shows one in eight drivers in 2019 did not have insurance

PORTLAND, OR, APRIL 1, 2021 – One in eight drivers was uninsured nationwide in 2019, according to a new study by the Insurance Research Council (IRC), [Uninsured Motorists, 2021 Edition](#). The national uninsured motorist average in 2019 was at 12.6 percent, and the estimated percentage of uninsured motorists in Oregon was at 10.7 percent.

The five states with the highest 2019 uninsured motorist rates are Mississippi (29.4%), Michigan (25.5%), Tennessee (23.7%), New Mexico (21.8%) and Washington (21.7%).

With the exception of one state - New Hampshire – [every U.S. state](#) now has a minimum or mandatory car insurance or financial responsibility requirement. Yet, despite these laws, one in every eight drivers across the country still does not carry auto liability coverage. Still others – likely a large percentage of drivers – carry only their state’s mandated minimum limits.

“It is concerning that with more vehicles than ever on our roadways, a significant percentage of drivers are uninsured, imposing greater risk and higher costs on insured

drivers,” said Kenton Brine, NW Insurance Council president. “For insured drivers, it is important to know about this risk, and to know there is affordable, available insurance coverage to help you avoid the cost of injuries or damages caused by uninsured or underinsured drivers.”

[Uninsured Motorist Coverage](#) is designed to protect you if you’re in a collision with a driver who has no auto liability insurance (an uninsured driver). While a few states require uninsured coverage to be included in all auto policies, it is *optional* coverage in most states. NW Insurance Council encourages you to talk with your agent or insurance company about your insurance needs and consider purchasing Uninsured Motorist coverage.

Uninsured motorist coverage varies by state and by insurer. In general, there [three types of protection](#):

Uninsured Motorist (UM) Insurance – This is also known as Uninsured Motorist Bodily Injury (UMBI) insurance and will pay medical bills for you and your passengers if you’re involved in an accident with an uninsured motorist who is at fault. It also will reimburse for lost wages. UM also provides coverage if you’re the victim of a “hit and run” or if you are hit as a pedestrian by an uninsured driver.

Uninsured Motorist Property Damage (UMPD) coverage – This coverage pays for damages to your vehicle caused by an uninsured driver and covers damage to other personal property such as your house or your fence. Ask your insurance company or agent or check with your [state insurance department](#) to see if UMPD coverage is available in your state.

Underinsured Motorist (UIM) protection – In some cases an at-fault driver may have liability insurance, but the limits on his or her policy do not cover the full extent of damage to you or your vehicle. For example, if the driver carries only \$25,000 in liability coverage, but the cost to repair your vehicle is \$20,000 and you have a \$25,000 medical

bill, UIM insurance will cover the \$20,000 difference between the other driver's liability insurance and your \$45,000 loss.

It is a good idea to inquire about these coverage options with your insurance company or agent.

"If cost is preventing you from considering uninsured motorist coverage, keep in mind that the cost of this insurance is likely to be considerably less than the cost of paying "out of pocket" for repairs or injuries caused by an uninsured or underinsured driver," Brine said.

NW Insurance Council offers the following tips to help you stretch your insurance dollars:

- **Comparison shop.** Prices for the same coverage can vary by hundreds of dollars, so it pays to shop around.
- **Ask for higher deductibles.** By requesting higher deductibles on [Collision and Comprehensive coverage](#), you can lower your costs substantially. For example, increasing your deductible from \$200 to \$500 could reduce your Collision and Comprehensive costs by 15 to 30 percent. But remember, the higher your deductible the more money you will need to pay "out of pocket" to repair your vehicle if it is damaged.
- **Buy your home and auto policies from the same insurer.** Many companies that sell [Homeowners, Auto](#) and [Umbrella Liability coverage](#) will reduce your premium from 5 to 15 percent if you buy two or more policies from that company.
- **Ask about other discounts.** Companies offer many types of discounts, but they don't all offer the same discounts. It's important to ask your agent or company representative about any discounts available to you.

For more information, contact [NW Insurance Council](#) at (800) 664-4942.

NW Insurance Council is a nonprofit, insurer-supported organization providing information about home, auto and business insurance to consumers, media and public policymakers in Washington, Oregon and Idaho.

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