

## Collision Coverage

Collision coverage in Kentucky is insurance that covers the property damage done to your automobile by an actual collision, and nothing more. If you have been in an automobile accident this coverage does not pay for your medical bills, loss wages or pain and suffering. This does not cover damage to the other vehicle. It covers your car and your car only. Typically deductibles are offered on collision coverage to lower the cost of your premium. You need to look at the deductible amount that you can afford should you be in an accident. This should be weighed against the amount of savings for the higher deductibles. Typically deductibles for collision are \$250.00, \$500.00 or \$1,000.00. You may even go as high as \$2,500.00 for a deductible. If you have borrowed money to purchase your car and are making car payments you will have to get approval from the lien holder to have this high deductible. If you have an older model car you may want to consider waiving the collision insurance altogether. This is only if you can afford to fix the car should you be in a wreck where someone does not have insurance or the accident is your fault, or you can afford to junk the car and buy another.

Kentucky does not offer Uninsured Collision Coverage like some other states. This would only cover your property damage if someone who hits your car does not have insurance. This coverage is generally less expensive than normal Collision Coverage since the insurance company only has to pay out in a very specific situation. Collision insurance in Kentucky should cover any type of automobile accident but you do have to pay a higher premium.

Consider whether or not you can afford to pay to replace your car out of your own pocket when making the decision as to whether you should waive Collision Coverage. I have Collision Coverage on the car I drive, the car my wife drives and the car my daughter drives. I have another car-it is a 1995 minivan. I use it for hauling anything from file cabinets to mulch. I put my ski equipment in it for drives to the airport because I am comfortable leaving it in the parking lot and not having to worry about it. It is my “beater”. I don’t have Collision Coverage on this van. The value of the van is so low that it doesn’t make sense. You can check your cars value at Kelly Blue Book ([kbb.com](http://kbb.com)) and many other web sites. If I am in an accident and damage the van, I will just replace it. That is a decision I have made to save some money on my insurance premium. It works for me. You have to decide what works for you.

I have all the other insurance coverages on the van. I would not ever consider waiving Uninsured Motorist Coverage, waiving Underinsured Motorist Coverage, having a PIP deductible or lowering my Liability Limits. Property damage is one thing. My family is another.