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Auto Insurance

To protect yourself and your family while driving on the roads of New Mexico, Arizona and the Navajo Nation, you are required to have automobile insurance. Each state has different minimum coverage requirement amounts which you need to be aware of for purposes of buying liability and other types of insurance coverage. It is important to know what you are buying and make sure that you understand your insurance coverage. You are buying an insurance product which is a contract for automobile coverage between yourself and the insurance company. Not having adequate coverage at the time of an automobile accident can have dire consequences if you become severely injured.

New Mexico currently requires that motorists have the minimum liability coverage in the amount of \$25,000 per person and \$50,000 per occurrence. This means that you are protected should you be at fault for a collision with coverage up to \$50,000 for all possible claimants.

The Navajo Nation, that portion which is in Arizona, currently follows Arizona law for minimum coverage in the amount of \$15,000 per person and \$30,000 per occurrence. For that portion of the Navajo Nation in New Mexico, the limit of \$25,000 per person and \$50,000 per occurrence applies.

Property damage payment for either your vehicle or to repair a person's vehicle that you may have hit, is a separate component of your automobile coverage. Typically, insurance companies selling in New Mexico offer a customer \$10,000 for auto repairs. If you are making a claim against your own carrier, be prepared to pay your deductible amount towards any repairs.

For example, in New Mexico insurance carriers will sell insurance automobile coverage in the minimum amount of \$25,000/\$50,000/\$10,000. These numbers represent that there is liability coverage for \$25,000 per person, \$50,000 per occurrence (more than one claimant), and \$10,000 for property damage repair and/or replacement.

Bodily Injury and Property Damage coverage is required in New Mexico. It pays damages for which you are legally liable arising from injuries or death or from damage to property of others. It also pays legal costs if you are sued.

Collision covers damage to your car resulting from another automobile or object. If your vehicle is financed, your lender will probably will require that your purchase this coverage.

Comprehensive covers loss or damage to your car resulting from events such as theft, fire, flood, vandalism, glass breakage, etc.

Medical payments (“med pay”) covers reasonable and necessary medical expenses incurred within a specified amount of time from the accident for the treatment and injuries caused by the accident. This coverage protects everyone in your auto, no matter who is liable for the accident. This is coverage you should seriously consider when purchasing your automobile insurance.

Uninsured Motorist (UM) and Under-insured Motorist (UIM) coverage applies to the other driver who is legally liable for the auto accident, but has no insurance or is under-insured. It is important to consider purchasing UM and UIM coverage because more than likely the other driver may not have adequate auto insurance or any insurance at all. New Mexico law requires that if you choose not to carry UM and/or UIM coverage, you knowingly sign a declaration of denial of such coverage. If you do not reject it in writing you may still be insured.

However, given the possibility of suffering serious injuries due to the fault of another, it pays to have ample UM/UIM coverage.

Many people believe that they have purchased “full coverage” automobile insurance, but in reality, following a collision, most people realize that they are not adequately insured for their injuries and damages. Purchasing auto insurance is a very important element for you and your family and you may wish to consult your insurance provider for a full explanation of what insurance products are available. In particular, if you own more than one vehicle, you may be allowed to “stack” the coverage for your multiple vehicles to allow a larger amount of insurance from which to make a recovery. In addition, should you be a homeowner, you may be able to purchase an “umbrella” policy in which your home and vehicles are covered.

When purchasing automobile insurance, we recommend that you include medical pay coverage, under and uninsured motorist coverage, vehicle rental, and comprehensive in adequate amounts to ensure that you really have “full coverage”.

In the event of an accident, it is your responsibility to exchange information. Get the following information:

1. Name
2. Address
3. Phone number
4. Driver
5. Driver license number
6. License plate number
7. Insurance information
8. Names of witnesses, if any