

Coverage Extras

Even if you come out of a wreck safe and sound, the weeks following an auto accident can be full of challenges. While they are certainly not mandatory, several types of optional coverage can make life easier if your car is disabled or headed for the repair shop.

Towing and labor coverage provides emergency road service and pays for towing charges. This coverage is not limited just to accidents, but can be used any time your car breaks down. Labor such as a tire change or battery jump-start performed at the site of a disabled vehicle will be covered, but not the later repair work done in a service station.

Rental reimbursement pays a set amount per day for transportation expenses, or car rental, while your car is being repaired due to a covered loss. A limit such as \$15 per day and \$450 total is common, but can often be increased for an additional premium.

Loan/lease gap insurance covers the difference between a newer car's actual cash value and the amount still owed on a loan or lease. Many drivers are stunned to find that the amount an insurer agrees to pay for their totaled car is much less than what they still owe. The coverage must be elected at the time that a new car is purchased and initially insured, and may not be added later. Car lease contracts often include gap insurance, but if you finance your vehicle through a bank you may have to ask insurers if they offer gap insurance.

If the deductible itself has you on the ropes, then just imagine the extra costs associated with towing your vehicle many miles and renting a car while repairs are made. And what could be worse than actually making payments on a heap of worthless metal? These bonus coverage options could save you money and frustration if your vehicle ends up damaged and out of service.