

What is auto insurance?

Car insurance provides you with insurance coverage if you're responsible for an accident and somebody else gets hurt or suffers property damage. This liability coverage can include settlement costs, legal defense costs in court, and the dollar amount that you're responsible for to the injured person or property.

Liability is the part of car insurance that's required by nearly every state, though it's not the only thing covered by car insurance. You can also protect your own vehicle for physical damage to it, as well as add on various other coverage options.

Most auto insurance policies are effective for either 6 or 12 months at a time. During that policy period, your rates are locked in and can't change unless you make a change to your policy. Once your policy renews, you could receive new rates, either higher or lower, that will be locked in again during your next policy period. □