



Professional Insurance Programs

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Personal Umbrella Liability Insurance Coverage Basics

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Personal Umbrella Liability – Coverage that extends and broadens the liability limits on homeowners and automobile insurance policies. The liability coverage on a home or auto policy includes payment for expenses such as medical bills, therapy and lost wages. It also includes coverage for legal defense of the insured person. If the liability limits on the home or auto policy are exhausted by a catastrophic loss, the umbrella policy will “kick-in” with extra protection.

Retained Limit (or Self-Insured Retention) – A dollar amount that the policyholder is required to pay out of pocket before the umbrella policy will make a claim payment; similar to a deductible. Usually only applies in situations where there is no primary underlying coverage.

Uninsured/Underinsured Motorist Sub-Limit – The Personal Umbrella Liability limit only extends the Personal Liability from your underlying policies. If you have Uninsured and/or Underinsured Motorist coverage on your underlying automobile policy, you can add a Sub-Limit for either or both coverages to your Personal Umbrella. This would mean that if another driver caused an automobile accident and did not have any or did not have enough liability coverage to pay for all the injury costs to you or passengers in your vehicle and the UM/UIM coverage on your policy was exhausted as well, then the Sub-Limit on the Personal Umbrella policy will “kick in” with extra protection.

Underlying Coverages – These are the limits of liability on your personal insurance policies (i.e. homeowner, automobile, watercraft, recreational vehicle, etc.). In order to qualify and be eligible for an umbrella policy, usually the policyholder must maintain specific minimum limits of liability the underlying policies.

Did you know...

Wisconsin Wrongful Death Act 895.04 – Wisconsin Legislature raised the amount a party can sue for the case of an accident that causes wrongful death or injury. In the event of an unfortunate accident in which you are liable for the death or injury of another person the amount you could be sued for has increased dramatically.

Ask us about it today.