MARTIN & JONES PLLC
Attorneys at Law

Many people think that if they get in a car accident involving an Uber driver, they are fully covered. It's no secret that Uber provides $1 million insurance policies for drivers—the rideshare company proudly states the claim on its website. Uber is a huge company, so they're not going to risk negative publicity by advertising something that isn't true. And it is true that they provide auto insurance with a $1 million maximum.

But what is not as well publicized is another truth—the $1 million in coverage does not apply to all Uber accidents, even when a driver working for Uber is at fault. If you were hurt in an accident with an Uber driver—or a Lyft driver, for that matter—it is important to understand the insurance coverage that applies and the steps necessary to recover full compensation for your losses. Working with a personal injury lawyer who is experienced in dealing with rideshare accident cases is the easiest way to learn about the resources available for your recovery and to avoid mistakes that could prevent you from receiving full compensation.

We can't provide personalized advice in a blog like this, but we can help you gain a general understanding of how the $1 million policy works in Uber accident cases.

Timing Makes All the Difference in an Uber Accident

The type of insurance coverage available to pay for damages when an Uber driver causes an accident in North Carolina is dependent on what the driver was doing at the time of the accident. There are four possibilities:

- The driver was taking a passenger to a destination
- The driver was driving to pick up a passenger who had arranged for service
- The driver had the Uber app turned on, but had not accepted a ride request
- The driver had the Uber app turned off and was not engaged in looking for or providing rides

What the driver was doing at the moment they caused the collision will determine the insurance coverage that applies to the accident.

While Engaged in Providing Rideshare Services for a Specific Passenger

In the first two sets of circumstances—while carrying a passenger or going to pick up a passenger-the driver is clearly providing services through the rideshare app. Generally, in these situations, the maximum insurance coverage applies.

That is not to say that Uber will automatically pay for injuries and property damage caused while one of the company's drivers is engaged in transport. Insurance company attorneys will argue forcefully to shift liability onto the victim's shoulders. Even if they are compelled to admit that their driver caused a crash, they may still try to argue that injuries are fictitious or exaggerated. But at least the potential source of recovery is available.

While Ready to Provide Rideshare Services, but Not Actively Serving a Passenger

When an Uber driver has the app turned on but has not accepted a rideshare request, the driver is in a transition area regarding insurance coverage. Uber's insurance coverage is not fully in place because there is no actual ride in progress. There is some insurance coverage provided, but it is at the state minimum. For drivers in North Carolina, that means Uber's Certificate of Liability Insurance provides coverage for injuries to an individual up to $50,000. If two or more people are hurt, the maximum payout is $100,000. Coverage for property damage is limited to $25,000 according to the company's insurance certificate.

If your car was totaled in the collision or you suffer long-term disabilities or pain from your injuries, the insurance may not provide enough to fully cover your losses. Depending on the circumstances, your attorney may be able to seek additional compensation from other sources.

When the Uber App is Turned Off

When a driver has the Uber app turned off, the company assumes that the driver is not working for them but is engaged in personal business (or possibly working for someone else). Uber's insurance will not apply at all if the app is turned off. The driver's personal insurance coverage should apply to accidents in these circumstances.

Why Uber May Deny Your Claim

Neither the rideshare company nor the insurance companies that provide their liability coverage are anxious to see you recover for the injuries you received in an accident caused by an Uber driver. Their attorneys will try numerous tactics to prevent you from receiving full damages.

To begin with, Uber will deny liability, arguing that its drivers are independent contractors and that the rideshare company is not responsible for their actions because they are not employees. This insulates them from some but not all liability. For instance, if Uber advertises that they check to ensure that drivers have valid licenses and they fail to do so, and an unlicensed driver causes an accident, then an attorney could work to hold Uber directly liable.

In most cases, however, it will be Uber's insurance provider that is fighting the accident claim. They will deny that the driver's actions caused the accident and insist that the victim caused their own injuries. North Carolina's contributory negligence rule makes it easier for them to make that argument in our state than in most other states, so it is important to work with a personal injury attorney who is prepared to overcome the challenge.

The insurance company may also argue that the driver was doing something that voided the coverage or that the injuries from the accident are extremely minor. To recover full compensation, accident victims need to work with a legal team that knows how to stand up to insurance companies and corporate attorneys.

If You Were Hurt in an Uber Accident, Talk to Martin & Jones to Learn How to Obtain the Maximum Recovery

With so many people now using rideshare services in North Carolina, it is reassuring to know that rideshare companies provide insurance while their drivers are working. However, actually recovering compensation through that insurance is not easy.

At Martin & Jones, we are dedicated to helping Uber accident victims recover maximum compensation available for their injuries and losses. For a free case evaluation and consultation to learn about the recovery that may be possible in your case and what our team can do to help you, call us at 800-662-1234 or contact us online today.

© 2026 Martin & Jones, PLLC.