

## Worldly and Worry-Free

Tips to help you decide whether, when, and how much travel insurance you need *By Caren Weiner Campbell*

It could have been a very expensive earache. Five years ago, the night before she was scheduled to leave for a long-awaited trip to Russia, retired teacher Betty Winsett contracted a serious and painful ear infection—a condition that would have made the long flight to Moscow an excruciating experience.

Fortunately for Winsett, her earache didn't result in a vacation headache. Thanks to a travel insurance policy, Winsett was able to recoup the thousands of dollars she had already spent on plane tickets and hotel reservations.

Insurance companies often recount stories like Winsett's when pitching policies to worried would-be wanderers. They may even use the popular explanation that travel insurance will protect your vacation "investment."

But is travel insurance really necessary? As with many "investment" decisions, that depends on your tolerance for risk. "I've spent several thousand dollars on travel insurance over the years, but I've never even filed a claim," syndicated travel columnist Paul Grimes has written. "Yet the protection and peace of mind that insurance provides have been

well worth the money I've spent."

In making your own decision, consider the four main types of travel policies:

**Trip cancellation insurance** will reimburse you in the event that, like Winsett, you fall ill right before your scheduled departure; it also goes into effect if you suffer a death in the family, if your home is damaged by natural disaster or burglary, or if your tour provider goes bankrupt. Some policies will even refund your money if you are laid off right before your vacation. If one of these events occurs during your trip, the "trip interruption" option ensures that you are reimbursed a set amount for each unused vacation day. According to the National Insurance Consumer Hotline (800-942-4242), a service of the Insurance Information Institute (III), this type of policy should run 5% to 7% of the cost of your trip, or \$250 to \$300 for \$5,000 worth of coverage.

**Baggage insurance** covers luggage damage, loss, or theft; other valuables, such as passports and visas, and credit cards, are sometimes covered, as well. To cover \$1,000 worth of belongings for one week, you'll probably pay around \$50.

**Accidental death and dismemberment** policies pay out if you or a family member loses life or limb during your trip. Prices for these policies will vary, depending on how you plan to spend your time while on vacation.

**Emergency medical assistance** insurance covers costs incurred if you or your traveling companion needs to be



airlifted back to the United States for hospitalization—costs that may add up to as much as \$25,000.

Most of these policies will also address the very-worst-case scenario: If you or your companion dies overseas, the policy will pay to bring the body home.

When assessing your needs, be aware that some eventualities may be covered by insurance policies you already own. The III points out on its Website ([www.iii.org](http://www.iii.org)) that accidental death and dismemberment is likely to be covered by your current life insurance policy. If you decide to rent a car overseas, your current auto insurance may well suffice. Your baggage is often included in your homeowner's or renter's insurance; if you want to feel extra secure about the fancy camera or heirloom necklace in your suitcase, consider a supplemental "floater" policy, which will give you up to \$1 million in added coverage for \$100 to \$400 per year. And some credit-card companies also extend insurance to customers who pay for tickets or car rental using their credit cards.

Of course, there are times when your usual coverage simply won't do. Some health insurers—including Medicare—don't pay for overseas care, and not all Medigap policies will take up the slack. Also, if your vacation itinerary includes adventurous pastimes like scuba diving, motorcycling, or bungee jumping, you'll probably want to look into high-limit accident insurance, which costs a bit more but offers a payout that, in some cases, exceeds \$1 million. These policies are often recommended for those whose livelihood depends on their physical performance or for travelers headed for dangerous or politically unstable destinations. (If you encounter trouble in a country on the U.S. State Department's travel-warning list, however, your benefits may be denied.)

## Travel Resources

These companies offer travel insurance or emergency medical services worldwide:

**Access America International** 800-284-8300, 800-654-1908 ♦ **AIG Assist, American International Group** 800-382-6986 ♦ **ASA International Health Insurance** 888-272-8288 ♦ **Berkely Group** 800-645-2424 ♦ **Champion Insurance Advantage** 800-643-4675 ♦ **CSA Travel Protection** 800-348-9505 ♦ **DAN – Divers Alert Network** 800-446-2671 ♦ **International SOS Assistance** 800-523-8930 ♦ **International Travelers Assistance Association (ITAA), MEDEX/TravMed** 800-732-5309, 800-937-1387 ♦ **PADI Diver Insurance** 800-729-7234 ♦ **Petersen International Underwriters** 800-345-8816 ♦ **Travellers Emergency Network (TEN)** 800-275-4836 ♦ **Travel Guard International** 877-216-4885, 800-826-1300, 800-826-5850 ♦ **Travel Insurance Services** 800-937-1387 ♦ **Travelex Insurance Services** 800-228-9792 ♦ **Universal Travel Protection** 888-924-6607 ♦ **Travel Assistance International** 800-821-2828

A handy place to start your insurance investigation is the Website *Insure-MyTrip.com* ([www.insuremytrip.com](http://www.insuremytrip.com)), which compares 13 different policies from five insurance companies. You enter the trip cost, dollar amounts of baggage and medical insurance you want, dates of your vacation, and ages of everyone traveling with you. Within seconds, the site presents your policy options.

If you have a preexisting medical condition, the underwriter may require you to buy your travel insurance policy within a few days of booking your trip; the company may also insist that you provide complete documentation of your condition and the nature of your treatment. (What's more, if you're traveling against the advice of your doctor, some policies won't pay out at all.)

Don't forget to factor in any deductibles on your current policies. Some travel insurance policies will cover your calamity with no deductible—but given the added cost of the travel insurance, the bottom-line difference may be negligible.

Be aware, too, that many travel policies will only pay the balance of your

expenses after you hit the limit on your existing insurance policy.

Indeed, sometimes the only benefit you'll get from travel insurance will be added convenience: The insurer may handle doctor bills directly, for example, rather than reimbursing you later for your out-of-pocket payments.

If you do buy travel insurance, be sure to get the official coverage certificate before you go, whether by mail, overnight delivery, or fax; some online agents will even let you print the certificate directly from a Website.

Ultimately, only you can decide whether the added coverage is worth the added cost—and not every vacation will require the same precautions. Even the well-prepared Winsett (who finally went to Russia two years later, without mishap) says she has no set rule about when and whether she'll buy a travel insurance policy. Instead, she admits, she just trusts her gut. "You have to balance it out for yourself, case by case," she says, "because you just never know." ◀

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*Caren Weiner Campbell writes for The New York Times, Entertainment Weekly, and Salon.com.*