

EVERYTHING YOU NEED TO KNOW ABOUT TRAVEL INSURANCE

The eternal question: Should I buy travel insurance? Here's how to decide—and how to find the right plan for the right trip. By **Christopher Elliott**

● DO I REALLY NEED TRAVEL INSURANCE?

It comes down to one question: "How much can you stand to lose if something prevents you from taking the trip?" asks Dan Skilken, president and CEO of insurance retailer TripInsurance.com. Always cover cruises or package tours. Also consider coverage if you have a long itinerary or are traveling overseas.

● WHAT DOES IT USUALLY COVER?

Most policies allow you to cancel or interrupt your trip for a covered reason—which can include an injury or illness, a missed connection, or an unpredictable event such as a terror attack. If your trip is derailed for one of those reasons, you're entitled to a reimbursement for costs that are usually not refundable (like plane tickets). "Cancel for any reason" policies have broader coverage (though there may be exclusions, so read the fine print) and tend to be more expensive. What most travel insurance doesn't include is health care abroad.

● SO WILL MY HEALTH INSURANCE COVER ME OVERSEAS?

It depends on your plan. Medicare, and even most private health plans, won't cover you outside the U.S., so check to see if it has overseas coverage. Many European countries offer universal health care—even for visitors—that may be free or cost a small fee. But you might want to shop for separate travel health insurance. Medex sells supplemental medical plans that pay for physician fees and hospital expenses, and Medjet Assist offers evacuation coverage. Many companies, like Travelex, offer hybrid policies that include both travel and primary health insurance.

● WHERE CAN I FIND A GOOD POLICY?

Travel agencies offer policies that will generally cover you for the duration of

your trip, but agents may push for a plan that pays them the highest commission. Most airlines, cruise lines, and tour operators offer optional insurance (also called wholesale policies) that tend to have more exclusions. Before you buy, review one of the websites that specialize in comparing insurance policies, such as Squaremouth, Travel Insurance Review, TripInsurance.com, and InsureMyTrip. You can also buy direct through one of the travel-insurance companies. The big players are Allianz Global Assistance, CSA Travel Protection, and Travel Guard. Choose a company that is a member of the U.S. Travel Insurance Association (USTIA).

● WHAT'S IT GOING TO COST?

A few factors determine the cost of your insurance: the price and length of the trip, your age, and optional add-ons. A policy typically costs 3 to 5 percent of your trip's prepaid, nonrefundable costs. A "cancel for any reason" policy can run you 7 to 10 percent of the nonrefundable cost, sometimes more. Some plan provisions are available only if you buy the policy within 14 days of your initial travel purchase. For example, an Allianz policy will cover most preexisting conditions if you buy insurance within the first two weeks. Some policies are more expensive if you're older or are engaging in risky activity.

● DO I HAVE TO READ THE FINE PRINT?

Yes—and don't wait until you have to file a claim. If anything is unclear, call the insur-

er and ask for explanations in writing. Even if you've already clicked "buy," you can reconsider. All policies have a "free look" period of 10 days. "If you review your policy after purchasing it and decide it isn't the right fit, you can cancel it within that period for a full refund," says Rachael Taft, a spokesperson for Squaremouth.

● WHAT SHOULD I LOOK FOR?

Make sure you understand whether the policy you're buying is appropriate for your situation, advises Megan Freedman, USTIA's executive director. For instance, if you or a family member has a medical problem that could require a cancellation, confirm that your policy includes a waiver for preexisting conditions (this is the most common reason claims are turned down).

● MY TRIP WAS CANCELED. NOW WHAT?

Typically it takes up to four weeks to process a claim. Expect to first receive an acknowledgment of your claim and then a final decision within one to two months. "One of the things that most frequently holds up claims is incomplete documentation," says Daniel Durazo, a spokesperson for Allianz. And remember, a rejection isn't necessarily the final word. A brief, polite, written appeal with any new information relevant to your case will be taken seriously and will usually be reviewed by several adjusters at a more senior level. This process can sometimes take as long as the initial claim, so be patient.

