

Travel Insurance – Do I Need It?

What is travel insurance?

Travel insurance is purchased by many travelers to cover medical expenses, financial loss (such as airfare, hotel, and tour costs), lost baggage, and other potential losses incurred while traveling; either within your own country, or when you travel abroad.

Travel insurance covers...

- **Pre-paid travel costs** (like airfare, hotel reservations, etc.) if you are forced to cancel your trip
- **Medical expenses** if you have an accident while traveling abroad
- **Lost, stolen, or damaged baggage**
- **Travel delays** that cause additional expenses
- **and many other travel-related risks...**

The Basics of Travel Cancellation Insurance

Travel Cancellation Insurance

Travel can be very expensive and many travel products are non-refundable. **Travel cancellation insurance** coverage can reimburse the cost of your pre-paid trip expenses, but not all travel insurance plans include this coverage. Once you've paid your trip deposit (or even the full amount), any number of unexpected reasons can cause you to have to cancel your trip. Canceling your trip can cause you to lose some or all of your prepaid travel expenses, and many travelers find that travel cancellation coverage is well worth the cost.

Examples of Reasons for Canceling a Trip

Travel plans sometimes have to be canceled, and you're better off safe than sorry when it comes to travel expenses and trip cancellation insurance. Trip cancellations may occur for the following reasons:

- a sudden injury or illness (for you, a family member, or your travel companion)
- common carrier cancellations as a result of inclement weather or labor strikes
- financial insolvency of a common carrier
- unexpected and unavoidable responsibilities at your place of employment
- jury duty
- suddenly being called into active military service
- termination of employment or a transfer of employment to a new city
- travel document theft, such as printed tickets, passport, or visa
- an act of terrorism at your location of departure or destination
- an evacuation is ordered at your home or travel destination
- and others

Rules to Expect with Trip Cancellation Insurance

Some plans include exclusions that define the overall trip amount to be reimbursed. Some plans include trip cancellation as optional coverage and require that the coverage be purchased within a specified number of days after paying the initial trip deposit. Most plans require some type of proof that backs up the reason you are canceling the trip.

Of course, each travel insurance plan is unique and you have to check to be sure trip cancellation coverage is included with the plan you choose.

Making a Trip Cancellation Claim

If you have to make a claim for a canceled trip, you may have to provide proof depending on the type of cancellation, such as providing proof of an injury or illness with a doctor's note for example. The proof you have to supply will vary depending on your trip insurance plan and the reason for which you are canceling the trip.

What is the best cruise travel insurance?

Resplendent cruise ships, vacationing with all the bells and whistles - finally! Traveling the world in a beautiful cruise ship with a well-appointed room and a constantly changing views can be very exciting. This dream vacation could turn into more of an adventure than you planned, however, if you discover you are not protected against the unexpected and sometimes unpleasant things that can occur while traveling by cruise ship.

What many travelers do not realize is that all cruise ships are considered foreign entities operating outside their country of registry, and your current domestic medical coverage does not travel outside your country of origin — even if you are traveling on a ship registered with your own country of origin. This means that if you are an American citizen traveling on a cruise ship registered with the United States, your regular medical coverage will, in most cases, fail to extend to travel at sea. Unfortunately, this means that without travel insurance, you will have to pay for your emergency medical treatment expenses up front if you become ill and require even minor medical attention.

Most of the larger cruise ships have on-board medical staff and treatment facilities, but many of the smaller ships do not, and if you become very ill while on board, an emergency evacuation may be your only course of action. Again, these costs will be borne by you without proper traveler's coverage.

Caution for U.S. Seniors: Medicare beneficiaries should always purchase travel insurance when they cruise, because they do not have medical coverage outside the country.

Let's help you choose a travel insurance policy first, and then don't forget to pack the hand sanitizer!

Common concerns for cruise travelers

It can certainly be tempting to skip the travel insurance. How many times have you returned safely from a trip and kicked yourself for spending the extra bucks to insure against some wild calamity that never happened? (We hope this happens to you often, actually.) It just takes one time and a single (even small) occurrence to cause very expensive, sometimes long-term, financial harm to you and your family. Besides, let's face it, cruise traveling is special in several regards - it includes sometimes close contact with a wide number of people, it

takes you to exotic locations where exposure to harmful agents may be possible, and it puts you in new circumstances of all kinds.

Some of the common concerns for cruise travelers are:

- Arriving on time for departure only to discover the cruise line has gone bankrupt, leaving you holding useless tickets with nowhere to go
- Catching a norovirus, a highly contagious gastrointestinal illness and becoming violently ill
- Losing your luggage and being stuck on a ship without the clothing and personal items you so carefully chose and packed
- Arriving late to the embarkation point and watching from the pier as your ship sails away ... without you
- Getting robbed on board or on an excursion into port
- Losing your travel documents while exploring a long-planned ruin

Caution: Starting June 1, 2009, travelers entering the United States on a cruise will be required to present a passport or other recognized identification document. The new requirement was established by the U.S. Government during a final ruling on travel documents for land and sea boarders. The initiative calls for travelers to present a passport or other approved secure document denoting citizenship and identify for all land and sea travel into the country.

Choosing the right cruise insurance

Many cruise lines have been getting into the travel insurance business and offering travel insurance packages that can be purchased when you book your cruise. There are also many independent insurance companies that offer coverage that can be purchased — typically within 10 or 15 days of your initial trip deposit — but there are some important points to understand before you choose your travel plan.

Most independent cruise travel insurance plans cover the following types of problems:

- trip cancellation or interruption
- trip delays
- emergency medical expenses
- emergency medical evacuation
- lost or stolen baggage

There are a few key differences between travel insurance policies offered by the cruise line and those offered by independent insurance companies, however:

1. Travel policies offered by the cruise lines typically do not insure against financial default, travel delays, or complete cessation of their own operations. Independent insurers usually cover these events.
2. Travel policies offered by the cruise lines typically cover only those parts of the trip purchased directly from the cruise line. So, if your wallet is stolen in the market while you are exploring a port, the travel policy purchased through your cruise line will probably be of no use to you.
3. Therefore, it is best to purchase a travel insurance policy separate from the travel provider if only to avoid conflict of interest.

Steps to follow to ensure you are covered while cruising

The key to ensuring that you are protected while cruising is:

1. Know where you are going and the risks associated with traveling in that part of the world.
2. Know what activities you are likely to engage in while you are cruising.
3. Check the policy carefully to be sure that the risks and activities are covered.

Purchasing your plan within the required number of days of the initial trip deposit sometimes ensures you receive the following extra benefits, such as a waiver for pre-existing conditions or financial insolvency of the travel provider. These may be valuable benefits, so shop for your insurance while you shop for your cruise deal.

We at Annwyn Travel highly recommend the purchase of travel insurance and will assist you in finding the best coverage to meet your needs as well as budget.