



State of Connecticut

Insurance Department

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COMMISSIONER

Consumer Alert

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INSURING YOUR HOLIDAY TRAVEL

Holiday Travel is coming; does your travel investment need to be covered?

Insurance Commissioner Thomas R. Sullivan today reminded consumers who are planning holiday travel to review current insurance policies and evaluate their need for travel insurance as a way to protect their investment.

Whether your family is headed to Europe, Disneyland, or away to visit family, travel insurance can protect against possible financial losses if you are forced to cancel, delay, or interrupt your vacation.

"Taking time to review your insurance coverage can provide peace of mind when you travel," Commissioner Sullivan said.

What Is Travel Insurance?

Travel insurance can protect against the loss of non-refundable travel costs, such as airfare, hotel, and tour expenses. Other types of travel insurance offer protection against losses due to medical emergencies, damage to personal property, and even a death which may occur away from home on vacation.

Before buying travel insurance, check the refund policies on prepaid expenses. Some will refund your money if you cancel months in advance, but few will offer any refund if you cancel at the last minute.

If you're working with a travel agent you trust, ask about his or her experiences with any recommended travel insurance companies. Have their customers filed claims? Were those claims paid? If you're planning an adventurous vacation (i.e. skydiving, scuba diving), ask if the insurance will cover those activities.

What Is and Isn't Covered?

"Review any insurance policy thoroughly to confirm it meets your needs," Commissioner Sullivan said, "When it comes to insurance, one size does not fit all."

If you buy travel insurance, be sure to review the list of covered reasons for canceling your trip. For example, a travel insurance policy may not reimburse you if you decide not to make a trip because a conference was canceled.

Before purchasing a travel insurance policy, ask about pre-existing conditions and age limits. Some policies cover pre-existing conditions if you buy the coverage within a week or two of booking your trip. Others won't pay for pre-existing conditions or charge a higher premium to cover them. Some insurers charge more for older travelers.

Cruise and tour operators may offer Cancellation Waivers. Keep in mind that waivers aren't insurance policies and aren't regulated. Read all of the restrictions before you buy a Cancellation Waiver.

Before you buy travel insurance, review the policies you have now. If you have life, health or homeowners insurance, you may not need to buy certain types of travel insurance. Read your policy and speak with your insurance company or agent to learn what personal property and medical coverage you have while you're traveling. Also, ask what insurance benefits you may have if you use a credit card to pay for the trip.

No policy can guarantee your safety when you're traveling, but knowing you're covered for medical emergencies or the loss of personal property may help you relax and enjoy your vacation.

Major Types of Travel Insurance

Trip Cancellation/Delay/Interruption Insurance

- Trip Cancellation – Reimburses you for pre-paid travel expenses if you aren't able to take your trip because you or a family member becomes ill or dies.
- Travel Delay – Reimburses you for pre-paid expenses if you aren't able to take your trip because of a travel delay, such as a flight delay or cancellation.
- Trip Interruption – Reimburses you for pre-paid expenses if your trip is cut short because you, or a family member, become ill or die, or because of any other misfortune listed in the policy. Covered reasons might include bad weather, airline strikes, terrorism, bankruptcy, jury duty, or fire or flood damage to your home.

Medical/Accidental Death Insurance

- Medical/Health – Reimburses you for medical and emergency dental expenses that you have because of an illness or injury while you're traveling.
- Medical Evacuation – Provides emergency transportation to take you either to a hospital in the geographic region where you are or for transportation back to a hospital near your home.
- Accidental Death – This coverage is usually split into three parts:
 1. Air Flight Accident – Covers death or dismemberment during flight only.
 2. Common Carrier – Covers death or dismemberment while traveling on public transportation such as a plane, ferry, train, bus or taxi.
 3. Accidental Death – Covers death or dismemberment at any time during a trip.

Baggage/Rental Car Damage Insurance

- Baggage Loss – Reimburses you for lost, stolen or damaged personal items. This usually doesn't cover personal items that may be lost or damaged by an airline. If you buy baggage insurance be sure to review the policy for the list of property that wouldn't be covered. Some of your property may exceed the limits allowed.
- Rental Car Damage – Reimburses you for damage or loss to a rental vehicle. If you have this coverage you may decline the "collision damage waiver" rental car companies offer. This coverage doesn't provide liability protection.

ABOUT THE CONNECTICUT INSURANCE DEPARTMENT

The mission of the Connecticut Insurance Department is to serve consumers in a professional and timely manner by providing assistance and information to the public and to policy makers, by regulating the insurance industry in a fair and efficient manner which promotes a competitive and financially sound insurance market for consumers, and by enforcing the insurance laws to ensure that consumers are treated fairly and are protected from unfair practices.

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