

Travel Insurance Industry Responds to Major Increase in Hurricane-Related Claims

Members of the US Travel Insurance Association reported increased activity during the 2017 Atlantic hurricane season, as they worked to assist affected travelers.

2017 saw an extremely active Atlantic hurricane season: 17 named storms yielded 10 hurricanes, including six major hurricanes, two of which were the first major hurricanes to hit the continental United States in 12 years. (Source: www.noaa.gov)

Many travelers faced delays, cancellations, and interruptions caused by hurricane-related events such as mandatory evacuations, road closures, damage to their destination, or damage to their own home. Those who had purchased travel insurance could take advantage of reimbursement for cancelled or interrupted trips or expenses incurred due to a travel delay, as well as services such as 24-hour assistance and help changing travel plans.

Travel insurance companies and brokers specializing in travel insurance saw as much as a 40% increase in claims submitted versus the same time period in 2016. On certain high-volume days, carriers reported handling over 100% more calls than normal and processing more than five times the number of hurricane-related claims compared to 2016. In addition, companies reported an increase in claims filed online in 2017.

Insurance companies worked to increase their own capacity and make the process more efficient for affected travelers. Companies initiated “all hands on deck” and set up streamlined claim-processing systems to handle claims as quickly as possible.

Advice for future travelers

Travel protection plans guard against sudden and unforeseen events. No one can predict everything that might occur between the time a traveler books their trip and when they actually travel. Travel insurance plans generally exclude coverage once a hurricane or tropical storm becomes a named event, so UStiA suggests purchasing travel insurance at the time a traveler books a trip.

When purchasing travel insurance, UStiA recommends that travelers carefully review the policy and be sure they understand what is and is not covered. If they have questions about the plan and what is or isn't included, they should ask the insurance company.

Consumers can choose from many types of travel protection plans. Because policies differ, UStiA urges individuals to compare plans, benefits, and pricing and to understand what is covered and what is not. Any questions should be directed to the individual company.

When submitting a claim

Consumers can expedite their claim handling by including all the required documentation at the time they submit their claim. If they're not clear on what is required, they should call the company before submitting the claim.

About UStiA

UStiA is a nonprofit association of insurance carriers and allied businesses involved in the development, administration, and marketing of travel insurance and assistance services. UStiA promotes fairness, integrity, and a commitment to excellence in the travel insurance industry, with a mission to educate the public on travel insurance while maintaining high industry standards. For more information on UStiA and travel insurance, visit www.ustia.org.