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Insuring your Family Against Travel “What-ifs”

US Travel Insurance Association Offers Important Advice

With the summer season here, families are hitting the road. Travel insurance should be one item included in every family’s packing list, advises the US Travel Insurance Association. “While most vacations go as planned, something can always go wrong, whether it’s a child’s illness, an accident or a parent’s work-related emergency. It’s important to ask yourself ‘what if,’ to consider the alternatives, and to protect your family and your wallet against any number of possible mishaps that can occur,” says Ed Walker, UStiA president.

“Today family travel may be multigenerational, from grandparents or great grandparents to other extended family members,” adds Walker. “Grandparents covered by Medicare may not have medical coverage overseas if they become ill. Children and other family members may not be covered for medical evacuation outside the U.S. These are some of the situations families should consider when planning their travels, especially if they are going overseas.

“One comprehensive policy can insure all family members traveling together, covering them against a wide range of possible mishaps,” advises Walker, who notes that some travel insurance companies offer special family policies that may cover children at no additional cost or at discounted prices.

The following are some situations where travel insurance can help save the day.

Last minute family illness

If you have to cancel or cut your trip short because you or an immediate family member becomes ill or has an accident, either on the trip or at home, comprehensive travel insurance policies generally reimburse for the unused, nonrefundable portion of your trip and/or the return trip.

Medical emergencies abroad

Many traditional domestic medical plans only have limited coverage if you are out-of-network or more than 100 miles away from home. According to a recent survey commissioned by UStiA, these plans typically limit international coverage to emergency-related medical services. So if you or a family member catches the flu or has a bad toothache, you and your family members may not be covered. And if you are covered, because you are “out of network,” you may be saddled with high deductibles and co-pays.

Most comprehensive travel insurance policies, on the other hand, will cover medical services and hospitalization abroad for illness and dental emergencies up to a set limit, as well as reimburse the difference between what your medical plan covers and what you actually pay, advises Walker.

Walker cautions too that, older travelers such as grandparents, should be aware that most Medicare policies do not cover medical care overseas.

Another service not typically covered by traditional health insurance is medical transportation and evacuation abroad, which can run into hundreds of thousands of dollars. Medical evacuation -- transport and attendant medical care due to severe illness or injury -- is normally included with most comprehensive travel insurance policies, as is 24-hour hotline assistance to coordinate all arrangements.

Natural disasters

Other unforeseen circumstances can include natural disasters such as earthquakes, floods, tornados, and fires. Should your family trip be curtailed by a natural disaster, travel insurance will reimburse for the nonrefundable portion of your trip as well as provide for return transportation if your trip is interrupted. The same applies if your home is made uninhabitable by fire or flood, advises Walker.

Lost and delayed baggage

Should your or a family member's bags be delayed past a certain number of hours, or lost, most comprehensive travel insurance policies will cover the replacement of necessary items up to a set limit. In the case of lost bags travel insurance will reimburse for costs not covered by the airlines, homeowners insurance or other means.

Bad weather flight cancellations

If your family's flight is canceled because of bad weather, the airline does not have to legally provide you with accommodations. Trip delay coverage provided with most comprehensive travel insurance policies will reimburse for expenses such as lodging and meals, up to a set amount , as well as provide a 24-hour phone assistance line to help find accommodations.

Other reasons for cancelling a trip

Some travel insurance policies cover trip interruption and cancellation if a parent has to cancel or interrupt the trip for work-related reasons and conditions such as having to serve jury duty. For extra protection other travel insurance policies allow you to cancel for any reason at all. Because they cover an even broader range of possibilities, this type of insurance usually cost more than the average 4-8% of the trip cost for standard travel insurance policies.

To buy or not to buy

According to Walker, when deciding if travel insurance is right for you and your family, determine how important peace of mind is to you, and how much money you could conceivably lose due to illness, emergency or catastrophe. "Especially in times of economic uncertainty, the more expensive your trip, the more likely you may want to protect your family's investment with travel insurance," he counsels.

About UStiA

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, UStiA is a non-profit association of insurance carriers and allied businesses involved in the development, administration and marketing of travel insurance and assistance. Travel insurance is available from travel agencies, airlines, tour operators, hotels and resorts, and insurance brokers as well as through the Internet. For more information on UStiA visit www.ustravelinsurance.org.

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