

For Immediate Release
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TRAVEL INSURANCE: ANTIDOTE FOR LOST OR DELAYED BAGGAGE

Covering yourself for lost or delayed baggage can be a smart move, advises the US Travel Insurance Association. With record-breaking travel, baggage mishaps are on the rise. In fact according to the Bureau of Transportation Statistics (U.S. Department of Transportation), the nation's 20 largest carriers posted a mishandled baggage rate of 7.25 reports per 1000 passengers for the first nine months of 2007, an almost 20% increase from 6.5 reports over the same time in 2006. The Association of European Airlines reports that in the second quarter of 2007, 16 bags out of every 1,000 passengers were delayed.

"That translates into nearly 3.5 million bags delayed, lost or damaged for domestic airlines alone," says Brad Finkle, immediate past president, US Travel Insurance Association. "If you are traveling to Athens, Greece and your luggage arrives in Athens Georgia you have a problem.

The Baggage Delay Misconception

"Many travelers assume that the airlines must cover delayed baggage," says Finkle. "While airlines may be liable up to \$3,000 on domestic flights for lost or damaged baggage, compensation for baggage delays in case of bad weather or situations beyond the airline's control is up to each individual carrier. One airline may provide toiletries, another up to \$25 per day, and yet another may not provide anything for such delays. What constitutes a delayed or lost bag also varies widely between airlines, and can range anywhere from 5 to 21 days," he points out.

International airlines may subscribe to either the Montreal or Warsaw Conventions and compensation for loss, damage or delay under these agreements are substantially less than U.S. requirements.

Passengers with travel insurance don't have to worry about when and whether their airline will cover necessary expenditures in case of weather or non-airline caused delays. Most comprehensive travel insurance policies include a delayed baggage benefit of \$100 to \$500 total to help with necessary purchases. Depending on the policy, the delayed baggage coverage may become effective within four to 24 hours from the time you report your luggage missing.

"The assistance hotline provided with most travel insurance policies will also help track and coordinate the return your bags so that you don't have to worry about calling the airline each day to find out the status of your bags," adds Finkle.

Non-Airline Delay or Loss

Often, people don't realize just how many potential baggage problems there can be during a trip, advises Finkle. Scenarios include:

- Your bag being damaged while being loaded on a van for a transfer from the airport to your hotel;
- The bellman at your hotel accidentally damages your bag;
- After storing baggage in a hotel or at an airport baggage storage facility you find the baggage is damaged or items are missing when you retrieve it.
- Your baggage is damaged or mishandled during a cruise.

Hotels, baggage storage facilities, and cruise lines may not assume any liability and are not required to reimburse you for damage. However, typically, the baggage/loss benefit provided by travel insurance will cover you during the course of your entire trip, and provide reimbursement up to a set amount, notes Finkle.

About UStiA

UStiA estimates that its membership represents over 90% of the travel insurance market in the U.S. The association 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, the UStiA is a non-profit association of insurance carriers and allied businesses involved in the development, administration and marketing of travel insurance and assistance. For more information on UStiA and travel insurance visit www.ustia.org. For more information on travel insurance, visit www.ustia.org.

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