

Written by

Wednesday, 05 December 2012 10:38

91.1 million Americans plan to travel this holiday season. Those who plan to travel via plane will be presented with the option to buy travel insurance upon the purchase of their airfare. Many consumers do not know whether travel insurance fits their budget or their travel needs. The Minnesota Department of Commerce urges travelers to understand what travel insurance is, what it actually covers, and what conditions to watch out for.

“The holiday season creates lasting memories and for most families, travel is a part of the experience,” said Commerce Commissioner Mike Rothman. “When planning your holiday travel, understand the travel insurance options available and make sure they fit your specific needs to ensure you spend more time enjoying your holiday and less time worrying about the possible issues that could arise.”

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 limited protection against losses due to medical emergencies, damage to personal property, and even a death which could occur away from home while on vacation.

A typical travel insurance policy will cover **trip cancellation, travel delay, and trip interruption insurance. Often, it will include limited medical, medical evacuation, and accidental death insurance** include . Finally, most travel insurance plans will include **lost baggage.**

Keep in mind, there is no guarantee your policy will include each of these items. Consumers will need to review each policy’s specific terms and conditions to determine its effectiveness. For example, purchasing ‘trip cancellation’ insurance does not necessarily mean you can cancel your trip without consequence.

Should You Buy It?

The decision to purchase travel insurance relies on many factors. Here are some things to consider before you make up your mind:

- **Travel insurance policies are not all the same.** If you buy travel insurance, be sure to review the policy, especially the list of covered reasons and exclusions 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 will not 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 are not insurance policies and are not regulated. Read all of the restrictions before you buy a Cancellation Waiver.

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• **Review all of the policies you have now prior to purchasing travel insurance.** 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 are traveling, but knowing you are covered for medical emergencies or the loss of personal property may help you relax and enjoy your vacation.

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

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

Go to the [Minnesota Department of Commerce](#) website for more information on travel insurance and the different types of plans that are offered. If you are having a problem with a company that sold you a travel insurance policy, contact the Department's consumer response team by calling: 651-296-2488 or 1-800-657-3602.