

Travel Insurance: When the trip of your dreams becomes your worst nightmare

by *Diana_Rossetti*

You and your buddy are planning a ski trip to Switzerland with a side trip to Paris, where you have made reservations at The Ritz. He falls and breaks a leg carrying luggage to the car.

TRAVEL INSURANCE - If you buy travel insurance, you may well have avoided a second disaster, this one financial, when your trip plans unexpectedly fall apart. CNS Illustration by Eri Hashimoto. Your family decides to take a cruise instead of the traditional autumn reunion around a bonfire. While walking the deck, Aunt Frieda suffers a heart attack. A helicopter picks her up along with her daughter and evacuates them to an American hospital.

Two months ago, you paid for that eco-trip to the jungles of Costa Rica. Between packing and leaving notes for the house sitter, you call the airline to discover your name is not on the flight list. And the phone at the travel agency has been disconnected.

When the trip of your dreams becomes your worst nightmare, who are you going to call? If you had the foresight to buy travel insurance, you may well have avoided a second disaster, this one financial.

But what kind and how much? Travel experts say this is a topic that deserves your full attention and some homework.

At bestfares.com, Managing Editor Kevin Kalley readily provided recommendations.

WHAT DO YOU NEED?

"First, evaluate what your trip is worth. If you are a family of four going on an all-inclusive cruise, figure how much of a hit you're willing to take if something happens that you can't go or someone gets sick onboard and has to be evacuated," he explained. "If it's a driving vacation, how much does your homeowner's coverage take care of? It might cover luggage stolen from a vehicle."

Checking all possible insurance coverages you already have is the first step, he said. If you paid for your trip with a credit card, call the card company to see what kind of protection might be automatically provided.

Before you take the rental car company's insurance, make sure your own automobile policy doesn't provide coverage.

Depending on the coverages you choose, an average cost for vacation insurance on a \$3,000 holiday may be \$150, Kalley said.

However, if you are traveling in Europe and renting a car, observed Gwen Cappadona, owner of Fly Away Travel in Canton, Ohio, you may want to weigh the extra expense of buying the rental company's insurance against your potential for problems with that company in a country where you don't speak the language.

AFFORD TO WALK AWAY

"Don't think your credit card will automatically cover you if that car is stolen. In a foreign country, I would rather have the convenience of walking away from that situation by buying their insurance," Cappadona, a travel sales veteran of 20 years, advised.

She recalled a number of instances that prevented clients from departing on their scheduled trips. Some had taken her advice to buy insurance.

"I had a client who was going on a very expensive trip to Italy. I said two weeks before he was leaving that we hadn't talked about trip insurance. He said, 'I'm leaving in a few weeks, what could happen?' Well, Sept. 11 was his departure date and he was walking down the ramp when they stopped all air traffic," she recounted.

"If you and your spouse are planning travel together and your kids are staying at home, if one of them gets sick at the last minute, you're going to cancel," she added.

During the last three years, Cappadona said she has seen an increase in interest and purchase of travel insurance. She credits it to consumer awareness and a generalized concern about illness.

"I even buy insurance when I buy a ticket to go out West and go hiking," she said. "The illness thing is something you need to be concerned about. Check your medical insurance and see what is covered when you're out of the network. Anymore, if someone gets dehydrated, they put you in the hospital with an IV. Our moms used to tuck us into bed and give us Popsicles."

Kalley strongly recommends not buying travel insurance from the company that sold you the travel package. If the company goes belly up, your insurance is worthless. He also pointed out that Medicare does not cover those traveling overseas.

"You don't expect to need car or home insurance but you pay them as part of the cost of owning the car or house," said Ohio AAA Auto club agent Kaye Emans, adding that 55 percent of her clients buy vacation insurance. "It's a small amount of money to protect the investment you've made in your vacation."

Finally, Cappadona said, always think of your vacation and the time you spend planning and enjoying it as an investment.

"It should be protected," she said, "just like your car and house."

Pick and choose

Most travel insurance companies offer a menu of coverages from which travelers can choose. Read the fine print on each type of coverage, then assemble a package that covers the areas of your greatest concern.

Here are some of the options:

- Supplier default covers deposits or payments made to a travel packager.

- Trip cancellation. If unforeseen circumstances force trip cancellation or interruption, travel insurance with this feature covers non-refundable payments or deposits.

- Trip delay. This coverage pays your expenses if the beginning of the trip is delayed.

- Personal effects or baggage delay or loss. Covers your belongings if they are lost, damaged or delayed during travel.

- Medical evacuation or emergency transportation. Covers transportation to a hospital or other medical facility during a medical emergency.

- Accident/sickness medical expenses. Costs incurred from an injury or illness during traveled are covered.

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