

A Guide to Travel Insurance – Some Frequently Asked Questions

What does travel insurance do?

Travel insurance protects you from a range of risks when you travel. Travel insurance can be purchased to cover a single trip or a multi-travel policy can be purchased which covers any travel you undertake, typically within a year.

What type of cover does travel insurance normally provide?

Travel insurance provides cover for a range of areas reflected in the main sections of a travel policy. Policies typically have the following six sections ó medical expenses, personal liability, personal accident, cancellation and curtailment, delayed and missed departures, and money and belongings.

More specifically, travel insurance usually provides cover for the following:

- Cancellation or curtailment of your trip due to certain reasons beyond your control;
- Delayed or missed departure;
- Emergency medical treatment abroad and/or repatriation expenses, if you fall ill or become injured while abroad;
- Loss, damage or delayed arrival of your personal possessions;
- Loss or theft of money;
- Replacing a lost passport;
- Legal expenses and personal liability cover in the event of you injuring a third party or damaging their property as a result of an accident;
- A fixed payment if you suffer permanent disability or death.

Each section of the policy may be subject to specified limits, excesses and exclusions. Therefore, it is important when choosing travel insurance not only to compare the cost of cover being offered but also the level of cover being offered.

What does travel insurance not cover?

Claims arising from the following are normally not covered ó they are known as "general exclusions," which apply to all sections of a policy.

- Pre-existing medical condition which you or a close relative has;
- Use of a motor cycle;
- HIV and AIDS;
- Being detained or having your belongings confiscated by Customs or other state agencies;
- War, civil war or a coup.

Medical expenses – what is covered?

This is probably the most important part of your cover and for many people, it is the main reason why they take out travel insurance. Cover normally extends to the following if you become ill or injured while away:

- ❑ Hospital bills for a stay as an in-patient or out-patient costs;
- ❑ Cost of prescribed medications;
- ❑ The cost of a close relative or friend staying behind to look after you;
- ❑ Your return, where required, for treatment (including by air ambulance if necessary);
- ❑ In the event of your death, the cost of your burial abroad or the cost of bringing your remains home.

You should look for a policy that provides minimum medical cover of £1m as medical costs can be substantial, particularly in the event of your requiring prolonged hospital care abroad.

However, your policy may not cover you if you:

- ❑ received treatment for a pre-existing condition which you did not disclose to your insurer when taking out the policy;
- ❑ travelled against medical advice;
- ❑ suffered injury as a result of a suicide attempt;
- ❑ only received non-emergency treatment;
- ❑ were under the influence of alcohol;
- ❑ required treatment due to drug abuse;
- ❑ deliberately put your life in risk or engaged in a hazardous activity, for which you were not covered by your policy.

What are hazardous activities?

The definition of 'hazardous activities' varies from policy to policy but typically includes: water-ski jumping; motorcycling; parachuting; bungee jumping; sub-aqua diving; potholing; paragliding; rugby and professional sports.

Insurers tend to divide hazardous activities into three categories:

1. those they cover automatically;
2. those they will cover for an additional premium;
3. those they will not cover at all.

Do I need to take out extra cover if I want to go skiing?

A standard travel policy may not cover you for skiing or for off-piste skiing, therefore you may need to purchase extra cover. Check your existing policy first.

Cover for skiing usually includes the following *in addition* to the cover offered by a standard travel policy:

- ❑ Refund of pre-paid expenses such as your ski pass, lessons and ski equipment hire if you have to cancel your holiday or you cannot ski due to injury;

- ❑ Loss, theft or damage to hired ski equipment. If you opt to take your own ski equipment, it should be covered under the Money and Personal Belongings section of your travel policy but you should make sure the limits are adequate;
- ❑ Loss or theft of your ski pass;
- ❑ Mountain rescue in the event of you getting injured;
- ❑ Closure of the piste (typically for more than 24 hours).

Will my travel insurance cover me if I drive a car while I am abroad?

No. Your travel insurance policy does not cover you for driving while you are abroad.

What should I do if something goes wrong while I am abroad?

Travel policies usually include a card with a 24-hour emergency help-line number, which you can call in the event of something going wrong. It is important that you note this number and take it abroad with you together with a copy of your policy. Call the emergency number as quickly as possible, particularly if you need hospital treatment.

If you are robbed while away, you must report the loss to the local police within 24 hours and get written evidence of the report. You may also need to report the incident to your hotel and/or tour operator.

If your baggage is delayed or is lost, keep your tickets and the baggage tags, which are usually stuck onto your ticket by the carrier as proof of your checked baggage. Ensure you receive a copy of the written report from the carrier regarding the loss/delay of your luggage.

In the event of a delayed departure, you will need to get documentation from the carrier confirming the details of the delay. Similarly, if you miss your departure, you will need written proof that you missed due to a reason beyond your control which is covered in the policy e.g. the public transport taking you to the airport, for instance, was delayed or cancelled.

In all circumstances, keep copies of receipts and any other relevant documentation to support your claim.

Finally, you should submit your claim as early as possible when you return home as your insurer may have a time limit for the making of claims.