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# How to avoid travel insurance pitfalls while you plan your next trip



Turns out there are quite a few mistakes travellers – even frequent travellers – make with travel insurance. GETTY IMAGES/ISTOCKPHOTO

CHRISTOPHER ELLIOTT  
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When I think of travel insurance mistakes, I'm reminded of Carol Buckley's case. She recently contacted me about her daughter, who had booked two airline tickets from Boston to London, purchasing the airline-recommended insurance.

"Unexpectedly, she became pregnant with her due date very near to the travel dates, that by their own airline rules, she would not have been allowed to travel," she says.

Fortunately, her daughter had insurance. Unfortunately, the insurance didn't cover her.

"Norwegian said the insurance did not cover normal pregnancy," she says. The airline refunded her \$361 (U.S.) in taxes, but kept her ticket, checked bag fees and insurance premium.

Buckley's daughter should have said "no" to the limited airline insurance policy and consulted with a travel agent or shopped for more comprehensive coverage online. A "cancel-for-any-reason" policy would have protected her, paying a percentage of her forfeited tickets.

But her case raises an issue that worries many infrequent travellers: What if my travel insurance doesn't cover me?

Turns out there are quite a few mistakes travellers – even frequent travellers – make with travel insurance. The more I looked into this issue, the more I realized that I needed to write two stories reviewing all of them. Today, let's talk about common prepurchase errors.

### Policy not needed

"I feel like the biggest mistake I see people making is that they do not read their credit card policies," says Hali Panella, a travel agent. That's especially true with customers who assume their credit card won't cover them – but don't know for sure – and decide to buy an external travel insurance policy. "Before doing that, read the fine print for your card because you might be wasting money on protection when you're already covered," she adds.

### Trip not completely covered

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"Make sure to adjust insurance or increase coverage as you finalize your plans," advises Elizabeth Lebrun, a travel expert with the website Simple Thrifty Living. If you don't include all of your costs, then you won't have your entire trip covered. Worse, if you have to make a claim, it could be denied because of the incomplete math. (I've seen it happen.)

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### Peril not sufficiently covered

Read the amounts on your policy carefully, advises Alan Rosen, who owns a travel agency in Boynton Beach, Fla. He recalls a customer who had to be evacuated from a transatlantic cruise several years ago. The cost: \$80,000 – only \$25,000 of which was covered by his insurance. "When I talk to clients about insurance, I ask them if they would buy the cheapest medical policy available without seeing what is covered? Most say they would not," he says. "Then my response is, 'Well, if you wouldn't blindly buy the cheapest medical policy for when you are at home, why would you do that for when you will be in a foreign country thousands of miles away?'" Indeed, when an emergency happens and you are far from home, you want the best coverage – not the cheapest.

### Activity not covered

"You have to read the fine print," says Russell Hannon, a travel specialist. If you're planning high risk activities like skiing, bungee jumping, white-water rafting, some policies won't cover you. "While you're at it, check that your policy includes trip evacuation and medical evacuation insurance, which can be astronomically expensive," he adds.

### Country not covered

"New travellers often make the mistake of purchasing an insurance policy that does not cover the country they will be travelling to," says Chantae Reden, a frequent traveller and blogger. For example, East Timor is not covered by many insurance companies. Countries that border two continents like Turkey, Egypt and Georgia have similar issues.

### No more time

"People think there's always time to get travel insurance," says Beth Godlin, president of Aon Affinity Travel Practice. That's not necessarily true. Many policies need to be purchased shortly after a trip is booked. And there's also the fact that your circumstances can change between the time you buy a trip and you take it. Cruises, for example, are sometimes booked a year in advance. "A lot can happen," she says. "The cost for travel insurance might outweigh the potential penalties for having to cancel down the line."

And that's just a short list. There are other mistakes – many others – made almost every day by travellers. One workaround? Use a qualified travel agent, who knows the pitfalls of buying travel insurance.

With careful planning, you can avoid the most common travel insurance mistakes.

Christopher Elliott's latest book is "How To Be The World's Smartest Traveler" (National Geographic). You can get real-time answers to any consumer question on his new forum, [elliott.org/forum](http://elliott.org/forum), or by e-mailing him at [chris@elliott.org](mailto:chris@elliott.org).

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