

# Saving Money on Your Insurance

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## *Planning a vacation? Consider travel insurance*

**I**F YOU ARE PLANNING a summer getaway with family or friends this year, along with choosing a destination and activities, you might also want to consider travel insurance. Before the 2001 terror attacks, fewer than ten percent of vacationers chose to buy travel insurance. Since that time, the number has more than doubled.

The most common type of travel insurance is trip cancellation coverage. These policies allow you to recover all or some of the money you spent up front if your trip has to be cancelled on short notice or is interrupted early on. Trip cancellation insurance could help you recover hundreds or thousands of dollars you might otherwise lose on non-refundable tickets and deposits.

There is any number of reasons why you might have to cancel a trip or return home suddenly, anything from unexpected weather to a family emergency. But your policy will not cover every situation. Trip cancellation policies are usually specific about the circumstances under which they will provide coverage. You need to read all provisions of the policy, including references to other documents.

Many insurers also offer more comprehensive policies geared toward calming fears related to terrorism. Most current plans with terrorism provisions allow you to cancel your trip if a terrorist incident happens in the city from which you are departing or in any city on your itinerary. Typically the incident must have occurred within 30 days of your scheduled departure date. In order to receive terrorism coverage, some companies require you to have purchased the insurance within two weeks of making the first payment on your trip.

Another popular option is travel medical insurance. These policies pay for services provided by doctors and hospitals abroad, which in most cases are not covered by your U.S. health care plan.

Although luggage does get lost and valuables can be stolen, you may not need any additional insurance for your property. Homeowners policies commonly cover personal belongings, even if you are away from home. If you are traveling with expensive photography or computer equipment, it's a good idea to check with your company or agent to see if it's covered and decide whether you need additional insurance.

Travel insurance is often marketed as a collection of "services" that travelers can access in an emergency. But be sure you truly need the various coverages being offered before you buy one of these multi-pronged policies.

Most travel agencies offer insurance as an option in the packages they sell. You also can buy travel insurance directly from several companies online. Just be sure you are dealing with a reputable, licensed insurer before you buy a policy. Expect to pay between five and ten percent of the total cost of the trip you booked.

If you do decide to buy travel insurance, make sure you know how to contact the company from whatever part of the world you'll be visiting. If you can't reach the company when you have a claim, it won't matter what kind of coverage you have.

While no insurance policy can guarantee your safety, knowing that you are covered for medical emergencies, the loss of personal belongings and an emergency way to get home may help you relax and enjoy your vacation even more. ★

### **Editors:**

- *If you need further information, call:*  
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*We welcome your questions and suggestions about this column.*