



## For Immediate Release

August 3, 2010

### Think Your Next Vacation is Covered? Think Again.

Credit Cards and Personal Health Insurance May Fall Short, says USTiA

According to the US Travel Insurance Association, many travelers are under the misconception that they don't need travel insurance and that their credit cards or medical insurance will cover them if anything goes wrong. USTiA points out that this mistaken belief could potentially cost travelers up to hundreds of thousands of dollars, should they find themselves in any number of possible situations.

USTiA suggests three steps to help you determine how best to protect you and your vacation investment.

#### Step 1: Assess your needs

To help travelers make an informed decision, USTiA suggests asking yourself the following five questions:

- Can I afford the financial risk of losing my vacation investment if something goes wrong due to illness, weather, or other unforeseen circumstances?
- If I have to cut my trip short because of an emergency, can I afford the cost of a return airline trip home?
- Does my health insurance cover me away from home and in foreign countries if I become ill or am injured while traveling?
- If my bags are lost or I have to spend an extra night because of weather-related problems, can I afford to buy replacement necessities and pay for extra lodging?
- If I become injured abroad, can I afford the cost of a medical evacuation?

#### Step 2: Evaluate your current coverage

Find out what your coverage really is. Will your credit card and/or health insurance cover you if you need to cancel or interrupt a trip because of illness, if you need to be hospitalized abroad, or if you have to pay for an extra hotel night because of bad weather? Many travelers mistakenly believe that their credit cards, health and home insurance will cover any situation that arises.

However, a USTiA-commissioned survey<sup>1</sup> found the following:

- Most credit cards don't provide trip cancellation or built-in medical coverage, nor will credit cards reimburse for inconveniences caused by travel delays. Your credit card may cover some costs associated with baggage delay or damage, but only if you purchased your trip on that card.
- Most traditional domestic health insurance plans limit coverage for out of country medical expenses to emergency-related costs, have high deductibles and co-pays for emergency treatment abroad; and don't cover out-of-country emergency medical transportation in cases of life threatening illness where medical evacuation may be required. A medical evacuation, alone,

---

<sup>1</sup> "Sources of Travel Insurance and Assistance in the U.S. Market: Addressing the Myths & Misconceptions" study conducted by Avalon Actuarial Inc

can cost thousands of dollars.

- U.S. airlines are not required to provide accommodations or reimbursement and have limited refund policies for delays that are beyond their control, such as weather or natural events including floods or volcanic eruptions. Nor are they required to reimburse expenses due to baggage delays.
- Homeowner's insurance does not reimburse for the cost of purchasing replacement items if bags are delayed.

USTiA advises travelers to read the policy carefully and understand the coverage. If the policy doesn't meet your needs, travel insurance policies typically include a refundable grace period. During that time if the policy does not meet your needs, the cost is refunded.

### Step 3: Compare travel insurance

Standard comprehensive travel insurance policies provide coverage for trip cancellation and interruption, medical, travel delay, and assistance services under one umbrella. **In fact, according to USTiA's research, no other single source provides the full spectrum of coverage and services that comprehensive travel insurance does.** In addition to comprehensive travel insurance, travelers can also find medical only policies, assistance policies and travel insurance that covers special circumstances.

Travel insurance can be purchased from a variety of sources. These include travel agencies, airlines, tour operators, hotels and resorts, and insurance brokers, as well as through the Internet.

Travelers are also encouraged to seek out travel insurance providers who are members of USTIA. As members, each company commits to:

- Providing travel insurance products and services that represent value and high quality
- Presenting products, benefits, conditions, exclusions and prices clearly and accurately
- Refraining from making false, misleading or exaggerated claims in statements or advertisement
- Paying all valid claims fairly, promptly, accurately and courteously

For more information on travel insurance and a listing of USTiA members, visit [www.ustia.org](http://www.ustia.org). For helpful consumer tips, visit <http://www.ustia.org/travelers>.

### About USTiA

USTiA promotes fairness, integrity, and a commitment to excellence in the travel insurance industry. With a mission to educate the public on travel insurance while maintaining high industry standards, USTiA is a non-profit association of insurance carriers and allied businesses involved in the development, administration and marketing of travel insurance and assistance. Travel insurance and assistance services are available from travel agencies, airlines, tour operators, hotels and resorts, and insurance brokers, as well as through the Internet.

###

Contact;  
Linda Kundell  
KUNDELL COMMUNICATIONS  
210 West 89 St, New York, NY 10024  
tel: 212-877-2798  
fax: 212-877-3387  
[LRKPR@aol.com](mailto:LRKPR@aol.com)  
[www.kundellcommunications.com](http://www.kundellcommunications.com)