



If the Worst Happens, Do You Have Insurance?

Why travelers should always purchase extra protection for trips



By Shannon Lofdahl

Illustration by Joel Kimmel

LAST SUMMER MARKED the return of travel for millions of people who missed seeing the world while the pandemic halted access to faraway places. Only weeks later, the news media reported not only airport staff shortages—a holdover from last holiday season—but also pilot shortages, delayed and canceled flights, lost baggage and other unexpected and unpleasant experiences. With the upcoming winter holidays and vacations, travelers are preparing for the next wave of problems. Wherever your travels may take you, consider packing a travel insurance policy, just in case.

Covid did impact enough prepaid family vacations, dream holidays and honeymoons to convince people to purchase travel insurance. Those who secured insurance for their summer vacations were likely relieved they had it. Over the past year Travelex Insurance Services has seen trip interruption claims more than double, from 13 percent to 27 percent.

Travel Insurance: Why It's Beneficial

Like home or auto insurance, travel insurance protects your investment. It also protects the health of you and your loved ones. You might not need it, but then again you might—and if something happens, you'll probably never travel without it again.

Many people ask about travel insurance offered by credit cards. Those plans typically offer some level of coverage, but it's usually very limited, so be thorough in comparing credit-card

policies with those from independent travel insurance providers.

Most providers offer two to three plans plus optional upgrades, and rates are generally competitive across providers. You'll find some variations in deductibles and benefit levels, but plans are often comparable.

The most significant areas of differentiation among travel insurance providers are customer service, travel assistance services and claim processing. These areas are highlighted in online reviews, so do some homework before enrolling in a policy.

Post-Covid, more people are booking trips through travel agents. Your agent is an excellent resource to help you understand differences between travel insurance policies, the services offered, and upgrade options you may want to consider. Here's some advice on what to look for in a travel insurance provider.

Customer Service

With a nationwide labor shortage, customer service professionals are in high demand. Call wait times are long and sometimes the service quality can be lacking. Whether you have a question about the type of coverage you need or wish to file a claim, you deserve to be treated kindly with patience and expertise when you do reach a live person. Insurance can be complicated, and the person on the other end of the line should be able to explain your

policy to you, answer your questions and make you feel reassured that you are protected.

Travel Assistance Services

Travel assistance services can help you with everything from finding the nearest currency exchange location to emergency evacuation. Regardless of the severity of the situation, you want to know the person you're calling will answer and send help.

Look for a provider with high marks and outstanding reviews in its travel assistance services. When comparing services across providers, look for ones that provide medical assistance, especially those that allow you to choose your medical providers, provide emergency evacuation and repatriation and offer business assistance services.

Claim Processing

Insurance is a highly regulated industry, but there's no regulation that says the process needs to be time-consuming. The process is as easy or difficult as the provider designs it to be. Look for one with a simple claim process, and check what its claim payment rate is. High scores in both areas indicate a provider that demonstrates transparency and trustworthiness.

Shannon Lofdahl is CEO and president of Travelex Insurance Services. She has a history of leadership in the travel and tourism insurance industry.

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