



Travel Insurance

By Earl Johnson, Treasurer

Disclaimer

This information is tailored toward SJSC ski trips, which some insurance companies classify as “adventure” sports. The web sites listed at the end of this article provide further information and can also be used to purchase coverage.

What is it?

Travel insurance covers risks to your travel plans. Before your trip, these risks might include last-minute cancellations due to sickness, injury or even loss of loved one or a job. During your trip, it covers medical evacuations, emergency/accident care, travel delays and missed connections, lost/stolen baggage, and more.

Travel insurance can be purchased for domestic trips and international travel. It can cover a weekend trip or an extended stay.

Do I need travel insurance?

The reason for purchasing travel insurance is different for every traveler and every trip. Some people want to have medical coverage while traveling outside the U.S. (most U.S. healthcare companies do not cover you abroad). Others are concerned about losing their trip investment if they need to cancel (for any of a variety of reasons). Other concerns include lost luggage, travel delays and the high cost of emergency medical evacuations.

From an investment standpoint, history shows that most of your money comes back if you cancel far enough ahead of a SJSC trip. The club charges a \$50 non-refundable fee on all trips and trip cancellation charges are published on all trip flyers to show maximum investment loss. But the Ski Committee and the meister do their best to limit your loss, even when you cancel at the last minute. (Refunds vary based on the popularity of the trip, airline ticket change fees and other factors.)

Two Basic Plan Types

1) The Package Plan provides a variety of coverage in one plan, including trip cancellation, lost baggage, missed connections, medical emergencies, medical evacuation, and other options. Package plans vary from Basic plans with less coverage and lower coverage levels to Premium plans with top of the line benefits and higher limits. You can omit the trip cancellation piece of a Package Policy to get the other coverage it provides.

2) A Travel Medical Plan is for travelers leaving their home country and provides medical treatment, medical evacuation coverage, and emergency assistance. (A medical plan should be considered by all who go on the SJSC international trips, including to Canada.)

Which company should I buy travel insurance from?

There are over a dozen companies in the travel insurance business, and each one sells a variety of plans. You need a reputable, experienced company with the right plan for your trip and needs. All companies will take your money but some don't honor a claim and should be avoided. Some of the “cheaper” plans on the

market will not cover for injuries during a “sporting event”, e.g. skiing. Read the Exclusions section of the “Description of Coverage” to ensure you are protected.

How much does travel insurance cost?

This will depend on the type of plan you have, the coverage level chosen and other factors. For additional cost, you can purchase a “Cancel for Work Reasons” or “Cancel for Any Reason” upgrade. You can reduce the cost of a Package Policy by eliminating the trip cancellation component. Travel Medical plans do not have trip cancellation coverage, but the plan cost depends on trip length, traveler age, and several other factors. One plan can be bought to cover multiple trips.

For a 40-50 year old person, example cost ranges for a typical package plan for a \$300 weekend trip are \$29-\$68; a package plan for a \$2000 weeklong trip costs \$63-\$206; a Travel Medical plan would cost \$27-\$33 for \$50K medical coverage and \$300K evacuation coverage on a weeklong trip.

The best time to purchase travel insurance

It is best to purchase travel insurance as early as possible, meaning as close to the time of initial trip deposit as possible (right after this year's July 15th extended trip's signup for many people).

There are several benefits to purchasing your plan right away. You take advantage of insurance coverage for the longest possible amount of time. Also, many policies include extra benefits if the plan is purchased within a certain number of days of your initial deposit. The pre-existing condition exclusion for medical coverage may be waived by the insurer if you purchase right away, with some exceptions of course.

Where to buy travel insurance

One option is to use a comparison website to compare quotes from several companies at the same time. The main benefit in using a comparison website is getting to analyze different plans, side-by-side, and seeing how the different coverage and prices compare to each other.

Another option is to buy a policy direct from the insurance company website. This is a good choice if you already have a good idea of the type of policy you need or a specific plan. Buying direct from the company ensures you are choosing from their full selection of products. **Be an educated consumer!**

Online Resources

Education

<http://www.travelinsurancereview.net/travel-insurance-101/>

http://seattletimes.nwsourc.com/html/travel/200882279_2_trpucci08.html

<http://thetravelinsider.info/2002/1011.htm>

<http://blogs.wsj.com/middleseat/2009/04/30/will-travel-insurance-cover-swine-flu-cancellations/>

State Insurance Departments

<http://www.state.nj.us/dobi/index.html>

<http://www.ins.state.pa.us/ins/site/default.asp>

Comparison Websites

<http://www.insuremytrip.com/>

<http://www.tripinsurancestore.com/>

<http://www.squaremouth.com/>