

Travel Insurance Missteps Even Experienced Travelers Can Make

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Travel insurance is a smart way to financially protect yourself on a trip, whether you're worried about losing money if you have to cancel or getting sick while traveling. Experienced travelers know that the cost of [travel insurance](#) is not the only consideration. You should shop for the benefits and coverage that best meet your needs. In addition, there are ways you can gain the most out of a policy and avoid missteps.

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Misstep No. 1: Buying Coverage You Don't Need

Standard [trip cancellation insurance](#) in a travel insurance policy covers numerous reasons for canceling a trip short.

Still, even some experienced travel insurance customers feel they need to buy additional options like “[cancel for any reason](#)” (CFAR) insurance.

A CFAR upgrade lets you cancel for any reason and still receive some reimbursement, such as 75% of your trip cost. It could add a significant cost to your policy—perhaps an extra 40%.

Before you bump up your policy with “cancel for any reason” coverage, examine the reasons your policy will cover under its regular trip cancellation benefits. You might find that your concerns are already listed and that you don't need to pay for CFAR coverage.

For example, regular trip cancellation insurance will typically cover you if your young child becomes ill before your trip and you can't travel.

But if you want to cover problems that are outside the standard list of acceptable cancellation reasons—like a sudden fear of travel—then CFAR coverage makes more sense.

It's wise to work with an experienced travel insurance agent to select a comprehensive travel insurance policy that doesn't include coverage you may not need.

Misstep No. 2: Waiting Too Long to Purchase Travel Insurance

A travel insurance policy protects you from unforeseeable or unexpected events—not things that are easily foreseeable, or situations that have already happened before you purchase a policy.

For example, if you haven't bought travel insurance yet you won't be covered for a hurricane that's already forecasted at the destination you're planning to visit, says Daniel Durazo, a spokesperson with Allianz Partners.

It's important to already have a travel insurance policy in place before you hear about troubles in the news. Durazo also says it's smart to buy travel insurance immediately after booking your trip.

“You may postpone buying travel insurance and then realize, too late, that you missed your chance,” says Durazo. “And the earlier you buy insurance, the bigger your coverage window.” Trip cancellation coverage begins on your plan's effective date, which starts your coverage if you have to cancel for a reason covered by the policy.

“The earlier you purchase insurance, the sooner you'll be protected,” explains Durazo.

Misstep No. 3: Underestimating the Importance of Emergency Medical Coverage

Experienced travelers may not realize that [travel medical insurance](#) and emergency medical coverage are especially important for international travel.

Most domestic health care plans (including Medicare) are not accepted outside the U.S. Leaving the country without sufficient medical insurance in place is a huge risk.

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“A plan with emergency medical benefits can cover the cost of your medical treatment, arrange care and determine if you’re in an appropriate facility,” says Durazo.

Emergency medical transportation is also important when traveling abroad. Durazo offers these examples of air ambulance costs:

- Caribbean to the U.S.: \$15,000 to \$25,000
- South America to the U.S.: \$40,000 to \$75,000
- Parts of Europe to the U.S.: \$65,000 to \$90,000
- Australia to the U.S.: \$165,000 to \$225,000

Medical evacuation benefits can cover these costs. Make sure your policy has sufficient coverage amounts for both medical expenses and [emergency medical evacuation](#). A travel insurance agent can help you identify the right coverage amounts based on your destination.

Misstep No. 4: Failing to Completely Read Your Travel Insurance Policy

Before you depart on your trip, take the time to carefully read the entire travel insurance policy. It outlines specific benefits, covered reasons, exclusions and your policy limits.

“Most people never read their insurance policy,” says Don Van Scyoc, a spokesperson with GeoBlue, a provider of global health plans. “Reading the policy and understanding important exclusions can help you understand what is covered, how to file a claim and what documentation should be submitted with a claim.”

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Additionally, Durazo at Allianz points out that most travel insurance plans come with a “free look” period during which you can cancel the policy for a full refund. This gives you an opportunity to buy another plan, if necessary, that has the coverage you want.

If you have any questions before or after you purchase a travel insurance policy, call the travel insurance provider—they are a great resource to address your questions about coverage and claims.