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1ST EDITION  
2015



# ULTIMATE GUIDE TO TRAVEL INSURANCE

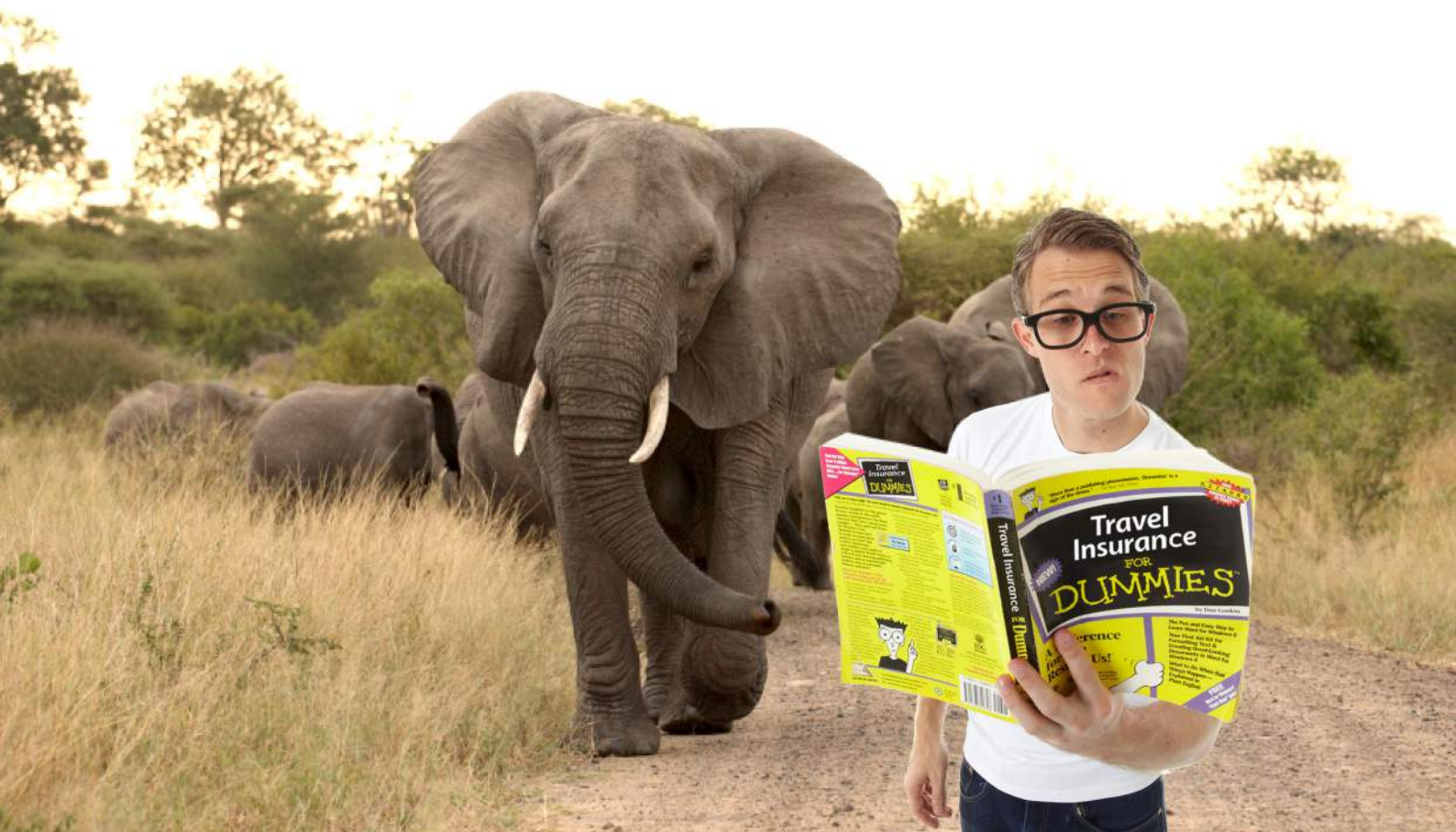









*Eugene  
(insurance geek  
extraordinaire!)*

Insurance Geek Extraordinaire, Eugene Wylde knows a lot about travel insurance!



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# WHAT IS TRAVEL INSURANCE?

Travel insurance is insurance that covers you for an array of sticky situations and any subsequent losses incurred while you're travelling within Australia or overseas.



**JUST IN CASE YOU'VE HAD YOUR HEAD IN THE SAND, TRAVEL INSURANCE IS IMPORTANT!**

## A COMPREHENSIVE TRAVEL INSURANCE POLICY WILL COVER YOU FOR:

- Medical and hospital expenses**  
if you're injured or become sick while overseas. This includes hospital stays, surgery, dental, prescription drugs, doctor and dentist office visits.
- Cancellation cover**  
for prepaid travel and accommodation expenses if you have to cancel your travel plans because of illness, accidents, or other unforeseen circumstances such as a sudden natural disaster.
- Luggage and personal effects**  
to provide reimbursement for lost, stolen, or damaged baggage and personal items.
- Travel delay expenses**  
cover costs for unexpected accommodation, meals, and transport when your travel is delayed or disrupted.
- Personal liability**  
provides protection for you being legally liable for injuring other people or causing damage to their property.

## AND HEAPS OF OTHER BENEFITS CAN BE INCLUDED TOO LIKE...

- Rental vehicle excess**  
if you hire a car and have an accident, you won't have to pay the excess (that could be as much as \$7K!).
- Accidental death benefit**  
payable if you die because of an injury sustained during your journey.
- Alternative transport arrangements**  
will be paid for if your flight/transport is cancelled and you need to reach a pre-booked event (e.g. sporting event or wedding).
- Additional kennel or cattery fees**  
if you are delayed getting home, some insurers will cover your pets for any extra nights they stay in their 'hotel'. Meow! Woof!
- Loss of income and permanent disability**  
if you're injured overseas and cannot return to work straight away there are a few policies that include benefits for this.

# WHAT'S IN IT FOR ME?



## Here's 5 very good reasons to pack travel insurance before heading on holiday

### REASON 1 OVERSEAS MEDICAL TREATMENT IS SOOOO EXPENSIVE!

Medical costs overseas can reach hundreds of thousands of dollars. Seriously, check out the below stats. They hurt. If you need medical treatment overseas and you haven't got insurance, you'll be forking out these amounts yourself. Ouchie!

- Medical evacuations from the United States regularly range from \$75,000 to \$95,000 and can be up to \$300,000
- Medical evacuation costs from Bali have exceeded \$60,000
- Daily hospitalisation costs in Southeast Asia regularly exceed \$800

Every year the DFAT (Department of Foreign Affairs and Trade) deals with over 25,000 cases involving Australians in difficulty overseas! This includes over 1,200 hospitalisations, 900 deaths and 50 evacuations of Australians to another location for medical purposes.

### REASON 2 UNEXPECTED THINGS HAPPEN

Travel insurance covers trip cancellation. What happens if a close family member suddenly falls ill and you can no longer travel? Or maybe you're already overseas and need to get home quickly? Travel insurance will reimburse you for any pre-paid flights and accommodation, and even pay for new flights to get you home (conditions will apply). Cancellation benefits also provide cover from unforeseen events like accidents, severe weather conditions, natural disasters, airline strikes and death of a close relative.

### REASON 3 YOUR STUFF IS IMPORTANT; SO PROTECT IT

You arrive in Bali, but your luggage doesn't. What do you do? Too often people discover that their luggage has been lost or delayed upon arrival at their destination. Or personal items such as cameras, laptops, passports or even cash are lost, stolen or damaged during their holiday. The right travel insurance policy protects your personal belongings and will reimburse you for expenses you suffer when replacing your items.

### REASON 4 THESE DAYS PEOPLE GET SUED FOR ALL SORTS OF THINGS

Your travel insurance personal liability covers you for legal liability if you are involved in an accident or cause damage that was your fault. Phew!

### REASON 5 YOU DESERVE TO RELAX ON HOLIDAY

Travel insurance brings peace of mind. Risking your life and your money by not getting travel insurance is just plain silly! The unexpected can happen on any type of holiday whether it's adventurous or a relaxing break. Ensure you get the right insurance for your trip and enjoy your holiday knowing you're covered.



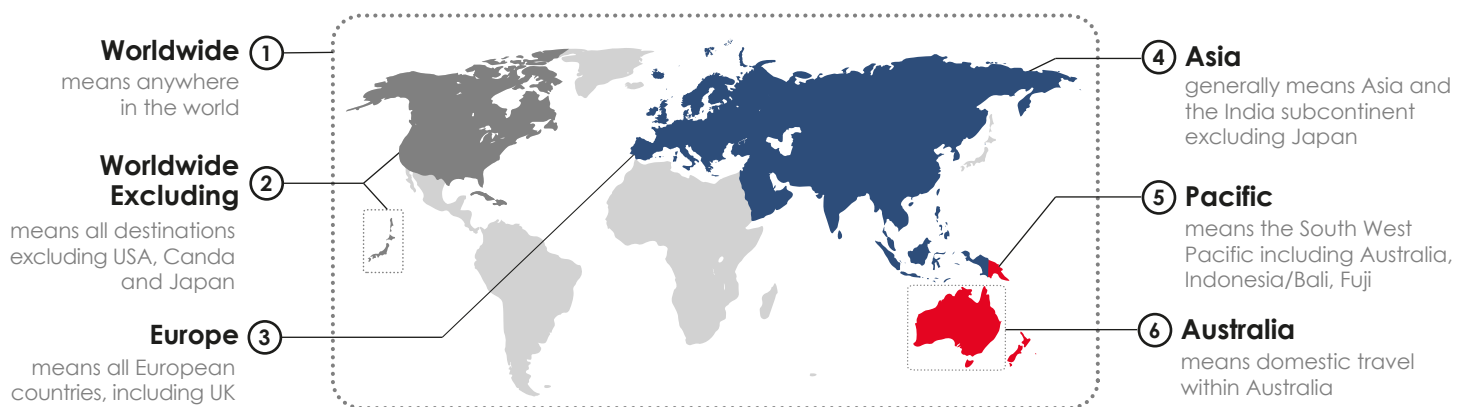
# STEPS TO BUY TRAVEL INSURANCE

There are hundreds of companies in the market from supermarket giants to niche travel insurance brands all offering cover. So where do you start? You can jump online and compare many quotes in one place using a comparison site or contact the individual insurers directly online, or over the phone.



## 1. WHERE ARE YOU GOING?

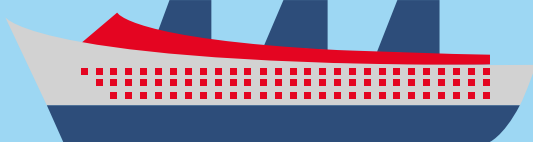
When quoting, some insurers ask you to select the countries you are travelling to and others ask you to choose a region.



If you're travelling to multiple destinations in different geographical regions, you must select the highest / furthest away region so that it covers travel in all the lower/closer regions.

Good news, you don't need to select stop-over countries if your stop-over is less than 48 hours.

ARE YOU GOING ON A CRUISE?



Even if you're going on a cruise in Australian waters, once your ship has left port, you're no longer covered for hospital or medical expenses by Medicare (or your usual private health care provider). So even if you're going on a domestic cruise you'll need to purchase a Pacific policy.



# STEPS TO BUY TRAVEL INSURANCE (CONT.)



## 2. HOW LONG FOR?

When buying travel insurance online you'll need to enter a start date, and end date of travel. The start date should be the date that you leave home (not the date you land in your destination if you're flying) and the return date should be the date you return from your trip. If you travel often you may save some cash by purchasing an annual multi-trip policy rather than a single trip each time you go away.

## 3. WHO ARE YOU TRAVELLING WITH?



You'll need to select the number of travellers to be included in the policy, and enter the name and date of birth of each traveller.



## 4. WHAT ARE YOU DOING WHEN YOU GET THERE?

It's easy to get caught out by participating in 'extreme' sports and realise you're not covered! Quite a few sports and activities are excluded from standard policies, so it's always a good idea to check whether something you want to do on your holiday is covered before you do it.

### ✓ Activities that are usually covered



bike riding



kayaking



swimming



trekking



recreational sports



surfing



zorbing

### ? Activities that are sometimes covered



skiing



abseiling



rock climbing



heli-skiing



sailing



bungee jumping



scuba diving

### ✗ Activities that are never covered



motor racing



base jumping



riding a motorbike with a high engine capacity without a license



competing in professional sports



## STEPS TO BUY TRAVEL INSURANCE (CONT.)

### 5. WHAT ARE YOU TAKING WITH YOU?



Watch out for single item limits within your cover. If you're taking your Louis Vuitton luggage, surfboard, DSLR camera, golf clubs, laptop, or even your wedding rings you should make sure your policy covers for these high value items. You can increase the amount you are covered for by paying an additional premium.



### 6. DO YOU HAVE ANY MEDICAL CONDITIONS?

Travel insurance exists to cover the unforeseen, not medical conditions you're already aware of. [Medical conditions](#) that exist prior to purchasing your policy may not be covered.

You must disclose all previous injuries or illness to your insurer whether it be a broken arm, hip replacements, or a bout of bronchitis, your insurer needs to know.

Depending upon the condition, you might have to fill out a medical declaration signed by your doctor and have this assessed by the travel insurance company before you buy your policy.

Pre-existing medical conditions apply to everyone listed on the certificate of insurance. So, the person who buys the travel insurance policy, travelling companions, and close relatives too. In the instance of cancellation, it also applies to close relatives that aren't necessarily travelling with you.



# WHAT IS THE BEST TRAVEL INSURANCE?

Finding the right travel insurance policy for your trip is easy when you follow our fabtastic tips!

## 1. PICK A POLICY THAT SUITS YOUR TRIP

Single trip policies cover you for one trip (from one day up to 18 months and can be extended from overseas). [Annual multi-trip policies](#) cover you for as many trips as you make over the course of a year (internationally and domestically). If you're a frequent traveller you might be able to save with the multi-trip option. Just remember that annual multi-trip policies have trip duration limits ranging from 15 – 90 days per trip.

## 2. CHOOSE YOUR LEVEL OF COVER

Most insurers have 3 levels of cover to choose from: Basic (often medical cover only), mid-range and comprehensive. You should pick the cover that best suits the type of holiday and activities you have planned. Remember that not all adventure activities are covered automatically. Buying the cheapest policy could mean you miss out on vital cover.

## 6. BUY EARLY TO GET CANCELLATION COVER

If your trip is cancelled or delayed due to unforeseen circumstances, you'll be covered for any pre-paid expenses. As soon as you've booked flights and accommodation, travel insurance should be next on your list!

## 3. GO WITH A REPUTABLE BRAND

A good way to find a decent policy is to ask friends and family who they've bought from before. Reading past customer reviews is an excellent way to get the inside story - there's no sugar-coating it!

## 5. BE HONEST

Don't tell porky pies. It's important to be honest with your insurer when you take out a policy. Your claim could be rejected otherwise. If you have any pre-existing medical conditions be upfront about them so that you know you're covered in case of an emergency.

## 4. SHOP AROUND

Just as you might compare flight prices, you can compare insurance policies too. Travel insurance policies vary in price and benefits. A comparison website is an easy way to digest all the information in one place. Remember travel agents and airlines add big commissions on top of the price of the travel insurance they sell. Buying [travel insurance direct](#) with the insurer (or through a [comparison](#)) means you won't have to pay these unnecessary extras.





# TYPICAL EXCLUSIONS - WHAT'S NOT COVERED?

All travel insurance policies have exclusions - things that you just won't be covered for. These can always be found in your Product Disclosure Statement.

## UNATTENDED ITEMS



In a nutshell, look after your stuff! Anything you leave out of reach, that isn't properly supervised, or isn't safely locked away will be considered unattended and (most probably) not covered if you try to claim for it being lost or stolen. E.g. you wouldn't be covered if you left your phone in the back of a taxi, or on the table in a restaurant. Luggage that is left in a storage room of a hotel once checked out is also considered unattended!



## BEING RECKLESS

We know that part of travelling is to experience the new and exciting, but if you deliberately put your life in danger (like jumping off a cliff into the sea) you wouldn't be covered. Injuries or loss when alcohol or drugs have been involved may not be covered either. Not too many pina coladas now!

## HIGH RISK ACTIVITIES

Hey there adrenaline junky! Many high risk activities and extreme sports (e.g. American football, boxing, skydiving, competitive cycling, rock climbing, polo and motor sports) are not covered. Always check whether your planned activities are covered before you go jumping out of a plane (for example.)



## TRAVEL SUPPLIER FINANCIAL DEFAULT

Does your tour operator sound a bit dodgy? Travel insurance does not always cover for insolvency of travel agents, tour wholesalers, tour operators or booking agents. Make sure you're confident in the operator making your travel arrangements.



# TYPICAL EXCLUSIONS - WHAT'S NOT COVERED? (CONT.)

## COUNTRIES WITH TRAVEL WARNINGS

If you visit a country where [Smart Traveller](#) has issued a travel warning you're not covered for an incident relating to the warning.



## SOME CANCELLATIONS

[Cancellation](#) covers you for transport and accommodation expenses if you experience delays or cancellation of your travel plans because of illness, accidents, or other unforeseen circumstances such as a sudden natural disaster. You can't just cancel your trip for any reason and be reimbursed. You're not covered if your flight is cancelled due to a mechanical fault, overbooking or airline company closure. This is the airlines responsibility.

## PRE-EXISTING MEDICAL CONDITIONS

Some medical conditions that exist before you travel won't be covered. Don't worry it's not all bad news...



Conditions like asthma, osteoporosis, certain types of diabetes or food allergies, cataracts, congenital blindness, hernia and congenital deafness are often automatically covered by standard travel insurance policies.



Conditions that are not covered at all include mental, psychological or nervous disorders including anxiety, depression, neurosis or psychosis, terminal illness, cancer, aids or STD's.

If you do have a pre-existing condition, it's not to say that you will be travelling without any cover at all. You can still buy a policy that would cover you for all other benefits, and for any unrelated illness or injury to your pre-existing condition would of course still be covered.

## PREGNANCY

A few insurers consider pregnancy a pre-existing condition, so it's sometimes trickier to get cover in the later stages. Most insurers cover until 26 weeks, but some exclude cover for pregnancy altogether. Find out who offers [travel insurance while pregnant](#).



## UNLICENSED TRAVEL

Travelling in/on a vehicle that you (or the driver) are not licensed to drive is not covered. Riding a motorcycle or scooter in Thailand or Bali is a common one. Make sure you wear a helmet too!



# WHAT'S THE DEAL WITH CLAIMS?

Sometimes holidays don't go to plan, so it is important to understand what is required of you should you need to make a travel insurance claim.



## FAMILIARISE YOURSELF WITH YOUR POLICY

Understand what is covered and what is not, paying particular attention to exclusions and how to make a claim should the need arise.



## HAVE EVIDENCE

Like receipts, bank statements, photographs, photocopies or serial numbers so you can prove ownership of your belongings.



## GET WRITTEN PROOF

Of flight delays, cancellations, hospital stays to back up your claim.



## REPORT INCIDENTS ASAP!

It is vital that you report any loss, theft or damage to your insurer, the local police, transport provider, or the relevant authority within 24 hours, or as soon as possible.



## BE HONEST

When you buy your policy disclose any pre-existing conditions. If you lie about your medical history and then become ill overseas your insurer may deny your claim.



## KNOW WHO TO CALL

All insurers have telephone numbers to call in an emergency. It is a good idea to keep this number on you, along with your policy details.

## GET IN TOUCH!

**Still got travel insurance questions? No worries! Get in touch and one of our friendly team will get back to you in a jiffy!**

For specific policy related questions you can refer to your policy document known as a Product Disclosure Statement. This is a document required by the Corporations Act 2001 (Cth) and contains information designed to help you decide whether to buy the policy and to compare it with other products you may be considering.

