

Travel Insurance – Guide for Travellers

What is Travel Insurance?

- Travel insurance covers the policyholder for insurable events that occur before or during travel such as trip cancellation/interruption, medical expenses, baggage damage and more.

The following is a guide that will help you choose the right travel insurance policy for your travel needs.

General Tips

- Always read your product disclosure statement prior to purchasing your travel insurance. Travel insurance policies are competitive so it pays to shop around to find a policy that suits your individual requirements.
- Travel insurance cover is not unlimited. It is recommended that you check your policy for any limits and what they apply to.
- Speak to your insurer to clarify any issues about your policy that you may be unsure of.
- Some travel insurance policies have an excess clause. This excess is the amount payable when you make a claim. You can also pay a higher premium to remove any excess. It is important to read all the conditions of your policy and make sure you are aware of excess and where it applies.
- It is important to make a record of all your personal effects and belongings before you travel, and place the record in a safe location at home. It is also important to keep original receipts and/or statements if relevant as you may need them as evidence if you make a claim.
- Medical expenses can be expensive when you are overseas. In regions such as North America, Europe, Africa and some parts of Asia they can be extremely expensive. Therefore, it is important to obtain the maximum amount of cover for medical expenses when travelling.
- Make two copies of your policy. Keep one copy with you in a separate place to the original and leave a copy with someone at home.

Taking out appropriate cover

- The cost of buying travel insurance differs and is based on type of cover, your age, destination of travel, length of stay and any pre-existing medical conditions.
- Policies will vary from insurer to insurer so it is important to obtain the right type of travel insurance to suit your individual requirements.

- General mistakes people make when purchasing travel insurance include:
 - Not taking out the appropriate cover for the length of their stay
 - Not taking out the right type of cover in relation to the destination that they spend the most amount of time in
 - Not taking out cover at the time they purchase their airfares. This covers the policyholder for any cancellation costs that may occur
 - Not disclosing pre-existing medical conditions

Credit card insurance

- It is important to read your credit card provider's policy wording to determine what you will be covered for and whether certain eligibility requirements need to be met.

Limits in cover

- It is important to read your Product Disclosure Statement (PDS) carefully along with your policy wording to determine what exactly you are or are not covered for. There are standard general exclusions on most types of travel insurance policies.
- Some examples of general exclusions include:
 - War, invasion, acts of terrorism, civil war, rebellion, revolution, insurrection or military or usurped power
 - Self inflicted injury
 - Unattended luggage
 - Loss of cash, bank notes or other negotiable instruments
 - Pre-existing medical conditions of any person travelling, including travelling companions or relatives at home

Cover for dangerous activity

- Dependant on the activity you may be able to purchase separate cover for an 'extreme activity', e.g. snowboarding, surfing. Most extreme activities require an additional premium. It is important to note that most dangerous activities would be classified as general exclusions in most policies.
- Examples of general exclusions regarding dangerous activity include:
 - Rock climbing
 - Water activities requiring an aerial device (kite surfing)
 - Hunting
 - Bungee Jumping
 - Racing (other than foot racing)
 - Underwater activities involving the use of an artificial breathing apparatus

Cover for expensive items

- Similar to dangerous activities, cover for expensive items require the purchase of extra cover.
- The cover for your personal items is limited. Anything valued over this amount will require the purchase of extra cover.

Personal belongings

- While policies will differ, cover for your luggage and personal belongings will generally be limited. It is important to know the total amount of cover along with the per-item limit that may be applicable to your insurance policy. This is particularly the case if you are travelling with expensive items such as, cameras, laptops or jewellery.
- It is important to note a general exclusion in relation to your cover for items left unattended in a public space. Your personal belongings and luggage cover will become void if loss or theft occurs because of lack of due care.

Medical expenses

- While travel insurance policies will cover you (up to a certain amount) for medical care. Most travel insurance policies will not cover you for medical conditions that existed before travel.
- If you have a known medical condition prior to travelling it is important to consult your GP and travel insurer prior to taking out cover. In some cases you may be able to obtain cover for an existing condition for an additional premium.

Assistance when travelling

- Most travel insurance policies include a 24-hour telephone assistance number to help you with your policy and any claim you may have.
- It is also important to review any special travel advisories issued at www.smartraveller.gov.au prior to booking your trip. Most policies do not cover cancellation as a result of government prohibiting travel to a particular destination or changing a travel advice.

Possible disputes about travel insurance

Under the General Insurance Industry Code of Practice, the general insurance industry is committed to be open, fair and honest in the way we deal with all our customers.

If you have a dispute with your insurer you can:

- Take your dispute to your insurance provider's Internal Dispute Resolution (IDR) process and ask for an IDR decision
- If the dispute remains unresolved, or you are unhappy with the decision, you may contact the Insurance Ombudsman Service (IOS) who independently and impartially resolves general insurance disputes, between insurers and companies
- It is important you contact the IOS within three months of receiving the IDR decision from your insurance provider.

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