

CHOICE travel insurance cheat sheet



Why get travel insurance?

- **Because you're going overseas**
If you're leaving Australia, travel insurance is just as essential as a passport.
- **The Australian government won't pay your medical bills for you**
If you have to go to hospital while overseas, you could be up for a very big bill. This is the number one reason to buy insurance.
- **Holidays don't always go as planned**
There are many other reasons to buy insurance. Cancellations, delays, lost luggage, not to mention the big stuff like natural disasters and terrorism.
- **Some countries won't let you in if you don't have insurance**
And some cruise ships won't let you board.

If you can't afford travel insurance, you can't afford to travel

What type of travel insurance do I need?

Where are you going? Some policies are destination-specific, others are worldwide.

How long are you going for? If you travel a lot, an annual multi-trip policy or a credit card policy might be better than one-off cover.

How old are you? Most policies have an age limit and older people often pay more.

How's your health? You'll need to declare any pre-existing health conditions.

What are you taking with you? Check the item limits on your baggage cover and take out extra insurance, if necessary, to cover your valuables in full.

Adventurous? You might need extra cover for activities like skiing, bungee jumping, scuba diving, and even hiking or riding a motorcycle.

Driving? Use the collision damage excess cover in your travel insurance to save money on the expensive 'extra insurance' offered by the car hire company.

Cruising? Make sure you have the right cover. Some insurance policies don't cover cruises.

WILL I USE IT?

Hopefully not. But research by Smartraveller found that one in four Australian travellers experienced an insurable event on their last overseas trip.

WILL THEY PAY OUT?

Around 85% of claims receive payouts. Of the claims that are declined, many are because the traveller has misunderstood the policy they've bought.

EXCESS

Remember that excess (a fee that's deductible from your payout) applies once per claimed event and items below the excess level can't be claimed.



Not all travel insurance policies are the same, and the wrong policy can be almost as bad as none at all



How to read the small print

Everything you need to know about a travel insurance policy is in its product disclosure statement (PDS). If you don't have time to read the whole PDS, at least look for the following:

- The **table of benefits** is an overall summary of your cover.
- The **policy cover** section is essential reading and is generally split into “what we will pay” and “what we won't pay”.
- **General exclusions** are also essential reading; these are events that aren't covered by any section of the policy.
- **Pre-existing conditions** can remind you of forgotten ailments. This is essential reading for anyone with any kind of medical condition, no matter how mild.
- The **word definition table** might contain a few surprises – a good place to check on the definition of a “relative” or a “moped”, for example.
- The **claims** section lists further points to be aware of (e.g. it's a good idea not to admit fault or liability in the case of an accident) and the paperwork you may need to collect while you're away if you need to make a claim (such as police reports).

Where do I get travel insurance?

You can get travel insurance from a travel insurer, travel agent, insurance broker (including health, home or car insurer) or credit card provider.



BUY EARLY

Buy travel insurance as soon as you know your travel dates. That way you're covered if your trip gets cancelled before you even leave or if you are unable to travel at all. It won't cost you more, as you'll only pay for the dates that you're travelling.

Case study

Claire fell down some stairs while visiting historic sites in Madrid, crushing her skull. She underwent emergency surgery and was unconscious for four days. Thankfully, Claire's travel buddies quickly notified her travel insurance provider.

The insurer paid for Claire's mother to fly to Spain for support as she recovered. They also covered all of the costs for her medical treatment, her recovery in Spain and her medical evacuation to Australia.

Claire's insurance saved her and her family more than \$140,000.

*NAMES HAVE BEEN CHANGED

Check the latest travel advice for the country you're visiting at [smartraveller.gov.au](https://www.smartraveller.gov.au)

Compare travel insurance policies at [choice.com.au/travelinsurance](https://www.choice.com.au/travelinsurance)