

Travel Insurance Basics

Many members have been asking about travel insurance for the Macy's trip. Believe it or not, travel insurance can be quite complicated. The purpose of this article is to help you understand some important basic principles to guide you in evaluating your travel insurance options. Music Travel Consultants suggests a provider called "Travel Guard", which is one of MANY travel insurance providers. While I can't specifically recommend any particular provider or plan, I have reviewed the Travel Guard products and find them to be comprehensive and competitively priced. Like most travel insurance providers, Travel Guard has a variety of different plans available. To keep things simple, I will describe their "Gold" plan, which I believe is appropriate for most travelers on this particular trip who seek additional insurance.

Disclaimer: Neither myself, PCMB or Music Travel Consultant make specific recommendations about any aspect of travel insurance. For complete details about Travel Guard programs, contact "Travel Guard" at 1.800.826.4919 and/or visit their website: www.travelguard.com. Information about other providers is available by searching for "travel insurance" on the Internet. A couple of particularly well-done sites are: www.insuremytrip.com and www.travelinsured.com. These sites are educational and provide comparisons among vendors.

Travel Guard Gold Plan- [For complete details, including coverage and exclusions, you must read the "Description of Coverage or Policy" also available on the Travel Guard website]

WHAT IS COVERED?: (Below are annotated highlights of coverage under the Travel Guard Gold Plan)

Trip Cost: Trip Cancellation. Covers you if you cancel your Trip, **BUT ONLY IF DUE TO A "COVERED REASON"**. Covered reasons include ONLY THE FOLLOWING:

- (a) Sickness, Injury or death of an Insured, Family Member, Traveling Companion, or Business Partner.
- (b) Sickness Injury or death or hospitalization of the Insured's Host at Destination. A Physician must certify the Injury or Sickness.

IMPORTANT NOTE REGARDING PARAGRAPH'S (a) and (b):

The Insurer will not pay for any Loss or expense incurred as the result of a pre-existing Injury, Sickness or other condition first manifested, diagnosed or treated within the 180 day period immediately preceding and including the Insured's coverage effective date:

The Insurer will waive the pre-existing medical condition exclusion up to a maximum of the first \$30,000 of Trip Cost per person if the following conditions are met:

- 1. This plan is purchased within 15 days of making the Initial Trip Payment;**
- 2. The amount of coverage purchased equals the total cost of the trip;**
- 3. All Insured's are medically able to travel when plan cost is paid.**

- (c) Financial Default of an airline, cruise line, or tour operator provided the Financial Default occurs more than 14 days following an Insured's effective date for the Trip Cancellation or Trip Interruption Benefits. ***This coverage applies only if insurance was purchased within 15 calendar days of Initial Trip Payment. Since most persons have already made initial trip payments more than 15 days ago, this coverage will likely not apply for most.***
- (d) Inclement Weather causing delay or cancellation of travel;
- (e) Strike resulting in complete cessation of travel services at the point of departure or Destination;
- (f) the Insured's Primary Residence or Destination being made Uninhabitable by Natural Disaster, vandalism, or burglary;
- (g) the Insured, or a Traveling Companion being subpoenaed, required to serve on a jury, hijacked, or quarantined;
- (h) Insured or Traveling Companion is called to active military service or military leave is revoked or reassigned;
- (i) a Terrorist Incident in a City listed on the Insured's itinerary within 30 days of the Insured's scheduled arrival;
- (j) the Insured or Traveling Companion is required to work during his/her scheduled Trip.

- (k) the Insured or Traveling Companion is directly involved in a merger, acquisition, government required product recall, or bankruptcy proceedings and must be currently employed by the company that is involved in said event;
- (l) the Insured's or Traveling Companion's company is deemed to be unsuitable for business due to burglary, or Natural Disaster and the Insured or Traveling Companion is directly involved as a Key Employee of the disaster recovery team;
- (m) mechanical/equipment failure of a Common Carrier that occurs on a scheduled Trip and causes complete cessation of the Insured's travel and results of a Loss of 50% of the Insured's Trip length; or
- (n) the Insured or Traveling Companion is involuntarily terminated or laid off through no fault of his or her own, provided that he or she has been an active employee for the same employer for at least one year.

Trip cancellation for any reason not listed above is NOT COVERED!

OPTIONAL - Cancel For Any Reason: The Insurer will reimburse 50% of pre-paid nonrefundable expenses if you cancel your Trip for any reason, up to 48 hours prior to your departure. ***(IMPORTANT! Can ONLY be purchased at the time the base plan is purchased AND within 15 days of Initial Trip Payment. Coverage must be purchased for the full cost of all prepaid nonrefundable Trip arrangements.) When eligible, you must pay additional premium for this coverage.***

150% of Trip Cost: Trip Interruption[†] Covers you for up to 150% of your total trip cost if you interrupt your Trip due to a covered reason. ***This only covers you if the trip is interrupted ONLY for one of the "covered" reasons listed above for Trip Cancellation. Any other cause is NOT COVERED.***

\$750: Trip Interruption - Return Air Only[†] Reimburses the additional airline transportation expenses incurred by you to reach the return destination. ***This only covers you if the trip is interrupted ONLY for one of the "covered" reasons listed above for Trip Cancellation. Any other cause is NOT COVERED.***

\$750: Trip Delay. Reimburses up to \$150 a day for Reasonable, Additional Expenses for meals, accommodations, taxi fares, and essential phone calls, if your Trip is delayed for more than 5 hours due to ***covered reasons***. ***"Covered reasons" include ONLY the following:***

- (a) reasons listed under Trip Cancellation and Interruption (shown above);
- (b) Common Carrier delay;
- (c) the Insured's or Traveling Companion's lost or stolen passports, travel documents, or money;
- (d) Natural Disaster; or
- (e) the insured being involved in or delayed due to a traffic accident while en route to a departure as substantiated by a police report.

Any other reason is NOT COVERED.

\$250: Missed Connection. Reimburses you if Inclement Weather or Common Carrier causes cancellation or a delay of regularly scheduled airline flights for three or more hours to your point of departure. ***(Not applicable unless travelling by air)***

\$1,000: Baggage & Personal Effects

Can reimburse you if your Baggage is lost, stolen, or damaged while on your Trip.

\$300: Baggage Delay. If your Baggage is delayed more than 12 hours, you can be reimbursed for the purchase of Necessary Personal Effects.

\$25,000: Medical Expense. Pays for emergency medical expenses incurred while on a Trip. *Covered expenses include ONLY THE FOLLOWING:*

The Insurer will pay for:

- services of a Physician or Registered Nurse (R.N.);
- Hospital charges;
- X-ray(s);
- local ambulance services to or from a Hospital;
- artificial limbs, artificial eyes, artificial teeth, or other prosthetic devices;
- the cost of emergency dental treatment only during a Trip limited to a Maximum Limit shown in the Schedule.

\$500,000: Emergency Evacuation & Repatriation of Remains. Covers evacuation and transportation as directed by a Physician to the nearest adequate medical facility, (home in the event of death or if medically required).

\$10,000 Accidental Death & Dismemberment Pays for loss of life or limb if it occurs within 365 days of an accident during your Trip. *Coverage and limits for only the following apply:*

| | |
|------------------------------------------|----------|
| Life | \$10,000 |
| Both Hands or Both Feet | \$10,000 |
| Sight of Both Eyes | \$10,000 |
| One Hand and One Foot | \$10,000 |
| Either Hand or Foot and Sight of One Eye | \$10,000 |
| Either Hand or Foot | \$ 5,000 |
| Sight of One Eye | \$ 5,000 |

ADDITIONAL NON-INSURANCE SERVICES PROVIDED BY TRAVEL GUARD: (These are all included in the plan)

Travel Medical Assistance. A menu of services available for emergency medical requests, including prescription replacement, physician referrals, medical evacuations, and more.

Emergency Travel Assistance. Dedicated LiveTravel counselors available to help with any travel request, including flight or hotel rebookings, rental car reservations, roadside assistance, and more.

Worldwide Travel Assistance. Assistance with any travel emergency or request for general travel information, including lost, stolen or delayed baggage; replacing lost passport or travel documents; emergency cash transfers; pre-trip travel advice; inoculation information; and more.

Concierge Services. Whatever you need, whenever, wherever you need it, you can call on your own personal assistant to help. Services include tee time reservations, restaurant referrals and reservations, wireless device assistance, sporting or theater tickets, and more. You need it, they'll find it for you.

Identity Theft Restoration Services. If your identity is stolen during your Trip, our emergency travel counselors will assist in contacting your credit card companies, monitoring your credit report and working with local authorities to help you restore your identity.

Business Assistant. You'll also have access to an array of services to help make short work of your business obligations, so you can enjoy your vacation.

MORE OPTIONAL COVERAGES: (Requires additional premium)

Flight Guard: Coverage limit up to \$500,000 for accidental death or dismemberment that occurs while flying. **(Only applicable if traveling by air)**

\$35,000: Car Rental Collision Coverage \$35,000 in primary coverage! Covers cost of repairs for damage due to covered reasons to a rental car, up to the limit of coverage, for which the car rental contract holds you responsible. **(This coverage has a \$250 deductible, which may be lower than some folks have. If you have at least one car with "full" coverage on your auto insurance policy, its likely you do not need this- check with your auto insurance agent.)**

Medical Coverage Upgrade A valuable addition to increase your coverage limits. Your Medical and Emergency Evacuation benefits will double. **(May not be necessary. Check with your health/hospital insurer.)**

How Much Does it Cost?

Your cost will vary depending on the plan you choose, how many travelers, travelers ages and optional coverages chosen. To get an exact quote, visit the Travel Guard website: www.travelguard.com. When I last checked, the price for the Gold Plan with NO options was:

| | | |
|-----------|------------|------------|
| Ages 0-34 | Ages 35-50 | Ages 60-69 |
| \$41 | \$52 | \$66 |

Children under age 17 are covered for FREE, but ONLY WHEN related to and traveling with the primary insured. **("Traveling with" is ambiguous. Do not rely on this coverage unless you have a statement in writing that your child will be covered based upon your specific travel arrangements. For example, we are all on the same tour, but, if your child is in a bus and you are travelling behind in your car, will that be considered "travelling together?" I think maybe not. GET IT IN WRITING!**

Questions and Answers: **(These selected questions/answers are from the Travel Guard website: www.travelguard.com)**

Q. What does this plan cover due to Trip cancellation?

A. The insurer will reimburse the non-refundable, pre-paid payments or deposits if you must cancel your Trip for an unforeseen Sickness, accidental injury or death of you, your Traveling Companion, Family Member or Business Partner, Strike, Financial Default of the Travel Supplier, your Primary Residence or Destination being made Uninhabitable by vandalism, burglary, or Natural Disaster, your being subpoenaed, required to serve on a jury, hijacked or quarantined, military duty, involuntary termination or layoff of employment, a Terrorist Incident, and covered business reasons. Optional Cancel for Any Reason coverage can be purchased. For a complete list of covered reasons for Trip cancellation, please refer to the Description of Coverage (DOC).

Q. Will I be covered if I cancel my Trip for any reason?

A. Yes, you can be reimbursed up to 50% of Trip cost if you purchase the optional Cancel For Any Reason coverage all at the time you purchase your base plan and within 15 days of your Initial Trip Payment. See the Description of Coverage (DOC) for complete details. **(Note, you must pay additional premium and must purchase the plan within 15 days of initial trip payment. Most of us are not eligible due to the 15 day rule.)**

Q. What happens if a family member not traveling becomes ill or passes away? Is this covered?

A. An illness or death of a Family Member not traveling with you may be considered a covered reason for Trip Cancellation or Trip Interruption (conditions apply). The definition of Family Member is included in the Description of Coverage (DOC).

Q. What is the Pre-Existing condition waiver and how can I qualify?

A. The Pre-existing medical condition exclusion will be waived if: 1. You purchase the plan within 15 days of making your Initial Trip Payment; 2. The amount of Trip Cancellation coverage purchased must equal the full cost of all prepaid non-refundable Trip arrangements. The cost of any subsequent arrangement(s) added to the same Trip must be insured within 15 days of the date of payment or deposit for any subsequent Trip arrangement(s). Failure to do so may affect the pre-existing medical condition waiver; 3. All Insured's must be medically able to travel when you pay your plan cost. Applies to the first \$30,000 of Trip cost per person.

Q. If I do not enroll within the 15 days, how far do you look back for Pre-Existing medical conditions?

A. 180 days preceding and including the coverage effective date.

Q. Can I cancel my Trip for work-related reasons?

A. Yes, cancellation due to work reasons is included in the base plan. You are covered in the event you must cancel due to specific work-related reasons. For a complete list of covered work-related reasons, please refer to the Description of Coverage (DOC).

Q. Does this plan include medical evacuation back home?

A. If you purchase the optional Medical Coverage Upgrade with the base plan, you upgrade your Emergency Evacuation coverage to include transportation to the adequate licensed medical facility of your choice or home for covered evacuations. **(Requires purchase of optional coverage/upgrade).**

Q. Does everyone going on the Trip need to purchase the insurance to be covered?

A. Yes. **(Each person desiring coverage must purchase it.)** However, with the Gold plan, children age 17 and under are covered at no additional cost for each insured adult, but you must list them as a traveler and the child must be related to the primary insured. Only those listed as travelers on the enrollment form will be covered.

Q. When does the coverage begin?

A. After any required Enrollment Form is completed, Trip Cancellation and Cancel For Any Reason coverage will be effective for an Insured at 12:01 a.m. Standard Time on the date following receipt by the Company or the Company's authorized representative of any required plan cost. All other coverages will begin on the later of:
(a) 12:01 a.m. Standard Time on the scheduled Departure Date shown on the travel documents or (b) the date and time the Insured starts his/her Trip, provided any required plan cost has been paid.

Q. What if I want a refund?

A. Travel Guard is committed to providing products and services that will exceed expectations. If You are not completely satisfied, You can receive a refund provided 1) it is not past the original departure date; 2) you have not submitted a claim; and 3) requests must be submitted to Travel Guard in writing within 15 days of the effective date of your coverage. If past 15 days, premium and service fees are non-refundable.