

Chapter 5: Exploring global travel insurance plans, emergency assistance, and health coverage while abroad

5.1. Introduction to Travel Insurance

Exploring Global Travel Insurance Plans, Emergency Assistance, and Health Coverage While Abroad's aim is to provide specific yet concise information regarding travel insurance as well as travel-related experiences. Regular health insurance often does not cover overseas emergencies and travel insurance should pick up this responsibility. Travel insurance is a significant investment for anyone traveling abroad, especially for residents of the United States. Because U.S. travel insurance is a useless investment for domestic travel, Americans usually have never needed to look into a travel insurance policy. However, most regular domestic insurance policies stop just before your overseas trip and refuse to pay for any emergency-related expenses while you're abroad. For most Americans, that can mean the difference between receiving treatment at a cushy local vacation hospital or dying from a ruptured appendix miles from medical assistance. However, travel insurance is more than just medical coverage; it is also a peace of mind investment. Your travel insurance policy can be your best friend while giving resources your local friends can't offer when things go wrong (Freeman et al., 2023; Bennett et al., 2024; Morales et al., 2025).

Your policy can help you arrange the itinerary of your dreams if it is disrupted. A good insurance plan will include emergency airlift, local assistance personnel, and reimbursement of the unsubstantial cost to your tour operator if a family emergency forces you to return home before your trip is finished. If you are on a large tour, group insurance is cheaper, but buying a policy from the operator who sold you the trip will put you at the mercy of his company should he go bankrupt before the trip. It may be more secure to buy a policy from other insurance companies that offer fall-back assistance to deal with the losses you'll incur (Zhang et al., 2023; Patel et al., 2024).

5.1.1. Overview of Travel Insurance Essentials

An intricate part of any well-planned journey, travel insurance provides options for travelers who experience financial setbacks. Flight delays, cancelled tours, and lost or damaged luggage are often a part of travel. We want to plan for and minimize the damage brought on by life's unpredictability. Understanding the full extent of what travel insurance can cover is essential to creating an appropriate travel protection plan.

Travel insurance can be offered by international or domestic insurance companies and added on through the airline, cruise line, or tour operator. Most companies will use a standard policy, which covers the most common travel insurance necessities. Specialty policies can be designed to fit unique needs, especially for travelers with pre-existing medical conditions or for those partaking in extreme sports, for example. Travel services insurance covers at least one of the main components of trip planning that can easily be derailed: airline ticket, hotel accommodations, luggage, and a planned itinerary of activities for which a non-refundable deposit is required. The most common type of travel insurance is trip cancellation insurance, which reimburses a traveler for expenses incurred if they need to cancel a trip for a valid reason, specified in the policy.

Common causes include illness or death of a traveler, their traveling companion, or an individual living at home, along with emergencies involving fire damage or property theft or possession of a traveling companion. Trip interruption insurance is similar to trip cancellation insurance. It reimburses travelers who cut their trip short or who are unable to use a particular part of the trip. These policies typically cover situations falling under the list of circumstances or events outlined above, but may also cover other interruption situations, such as acts of terrorism.



Fig 5 . 1 : Travel Insurance

5.2. Types of Travel Insurance Plans

In the process of booking or preparing for a trip, one consideration is travel insurance. Travel insurance is designed to provide assistance and alleviate financial losses while traveling, should something go amiss on the trip. Although travel insurance can vary in the details, there is usually a base price used to cover a limit to destinations around the world. There are many options that lie in the details. Comprehensive travel insurance is a blanket policy that is designed to help cover the myriad of factors that could potentially become an issue while traveling throughout the duration of your trip, or at least cover the cost of the issue. Depending on your plan or travel insurance provider, the details of comprehensive travel insurance can vary. Some questions to consider when choosing your travel insurance plan should include coverage limits, destinations on the trip, possible extreme sports that you might participate in while on the trip, and the cost of the trip itself. Other forms of travel insurance are trip cancellation insurance and emergency medical travel insurance. Where comprehensive insurance covers a wide array of traveling issues, trip cancellation focuses on the refund portion of the trip in the event that one of the unexpected issues arise before leaving home. With society's heavy reliance on e-tickets and e-checking, losing a flight is easy to do and unexpected events close to travel could easily take up the funds necessary to travel on the trip. It should be noted that even with trip cancellation insurance, claims are only covered under extreme circumstances.

5.2.1. Comprehensive Travel Insurance

From coverage of urgent health or evacuation issues to trip cancellation reimbursement or lost baggage, travelers have a growing number of choices available for trip-related travel insurance. Some may be advisable and some may not be necessary, depending on any financial loss associated with canceled or delayed travel. Unfortunate events rarely happen, but they do occur occasionally. Depending on circumstances, global health emergencies could prompt a sudden reprieve from work obligations or lack of ability to travel for other reasons. Conversely, lost luggage or delays while seeking a connecting flight can be extremely inconvenient, causing delays in taking once-in-a-lifetime photos or participating in memory-making adventures such as connecting with family long-absent from a travel destination. Comprehensive travel insurance is the most popular product of the numerous choices consumers have available. It commonly covers the price associated with cancellation and interruption of travel, safeguards possessions, and protects health during the trip. Comprehensive travel insurance is an umbrella covering strategy that generally provides the broadest coverage associated with the largest number of potential travel issues. Similar to a large umbrella protecting a group of tourists from rain, one plan can accommodate many travelers. Whereas some plans provide limited

coverage associated with a specific incident such as a lost camera, a comprehensive travel insurance product covers multiple instances of potential loss—even if not at the same time. It's important to recognize that specific plans do vary greatly in terms of benefit amounts or extent of coverage. Specific events may or may not be covered, such as pre-existing health conditions that are present prior to purchasing an insurance program or a person's mental health or service personnel completing duty on a deployed basis.

5.2.2. Trip Cancellation Insurance

The travel industry in the western world started offering travel insurance in the 1950s. Some policies were bizarrely underwritten. An airline might sell a policy covering flight cancellation or delay, but only if the delay exceeded four hours. Early insurers could condition coverage on whether passengers had arrived at the airport on time and whether the aircraft had been moved for repairs, instead of utilizing an insured perils approach that focused coverage on acts of God, strikes, and terrorism. Policies also frequently declined to cover loss from adverse weather conditions at the origin airport. Sunbelt residents traveling to ski resorts might be out of luck with snow. Another departure from common practice in insurance underwriting came from a requirement that travelers apply for coverage immediately after making their travel reservation.

Consequences of this early restrictive approach produced the current approach of limiting trip cancellation insurance to a few high-risk peril exclusions. The average traveler expects to recover, thanks to trip cancellation coverage, whether illness affects the insured's ability to travel or loses his or her job in the period between travel reservation and planned travel. What has changed is the increased acceptance of trip cancellation coverage. Virtually all comprehensive travel insurance plans provide trip cancellation coverage, and travelers can also purchase that coverage as a standalone product. If a travel supplier goes bankrupt, travelers have only one way to avoid significant losses — purchase trip cancellation coverage at the time of booking. Bankrupt travel suppliers are often able to shield recovered funds for short trips from payors, and it may take months or longer to recover the funds travelers lost. Some airlines are particularly prone to bankruptcy.

5.2.3. Medical Insurance for Travelers

Most reputable travel insurers offer Medical Insurance with varying limits, usually expressed as \$50K, \$100K, or higher. Travel Medical Insurance is designed to provide insurance for sudden illness or accidental injury that occurs while you are traveling outside of your country. While traveling you may incur medical expenses that are greater

than the limits set on your own private health plan, if your plan covers overseas travel at all. Insurance for travelers usually has high limits, since medical expenses for travelers can be very high! The travel medical insurance has low premiums, but covers you for a short term, for a specific journey outside of the base country, and usually will not cover pre-existing conditions. If you have a private health plan at home that covers you while you travel and adequate coverage for doctors and hospitals in your destination country, you may not need to purchase extra medical insurance for travel while you are away. If your trip involves any travel off the beaten path in a remote area or activity, such as mountaineering, trekking, white-water rafting, scuba diving, or winter sports, you can easily run up medical bills running into the hundreds of thousands of dollars. In these cases, you might want to consider a more extensive Medical Insurance for Travelers program, plus consider getting arranged for coverage by the insurers that provide this type of insurance, when you are on the ground. Usually the Medical Insurance for Travelers will cover more than the scheduled cost of basic means of evacuation. The premiums for the medical insurance for travelers can also be easily calculated based on the coverage you require or request an instant quote!

5.2.4. Evacuation Insurance

Most travel insurance plans will not cover a medical evacuation when a traveler decides to return home because of a sick family member or some other situation. Some travel insurance plans sell evacuation insurance as a separate policy. It pays for emergency evacuation back home for family emergencies, such as the death of an immediate family member, to attend the funeral. If the loved one is in the hospital, it may pay only for the insured traveler to go to the hospital. However, if transportation costs are less, the insurance will reimburse only that lesser amount. Each plan varies in the details of what is covered. Evacuation plans are not easy to understand. Too many plans contain clauses that make it easy to be turned down for coverage. Read the policy carefully. Don't assume coverage because of a company's name recognition or reputation.

Another type of insurance, often included as a standard benefits option in medical travel plans, provides evacuation or repatriation services by paying up to the policy limit for return to the traveler's home country in the event of an emergency. That may be necessary to get outpatient care that is not available where the traveler is located or continues to be sick after treatment in a local or country facility, spending nights in the hospital for up to 30 days or more and requiring interim medical treatment every week. The payment for the evacuation must be approved in advance by the insurance company. Most insurance plans will pay for a return home only when specialty care is not available in the foreign country. Travel plans usually require a sick traveler to pay for the entire flight upfront before claiming reimbursement for that amount.

5.3. Understanding Emergency Assistance Services

Travelers need to be aware of the available emergency assistance services when planning trips abroad. These concierge services make exploring the world easier and safer. If something goes wrong while abroad, we can quickly connect with people who can get us the help we need. With the affordable global resources and technology at our fingertips, travelers no longer need to rely on friends or commercial services back home for assistance. Some travel protection plans include travel assistance at no extra charge. Other policies require the separate purchase of travel assistance, which is offered at a fraction of the cost of travelers insurance. Travel insurance provides coverage for lost luggage and stolen passports, but not the actual cost of replacing your belongings. Add-on travel assistance services can help resolve these issues, with no out-of-pocket costs up front. Many travelers assistance resources charge service fees for both travelers and vendors.

The services listed here are usually provided for no additional charge by travel insurance companies and travel assistance specialists. Not all plans offer all services. Some travel plans include access to an emergency assistance jet with helicopters or planes adapted to respond to medical crises in ski resorts and remote locations. This service is not a means of avoiding domestic medical transportation rules and regulations, such as transport via a commercial flight if the patient can travel and if a commercial flight is available. Coordination of domestic transfers, for profit or not, is not usually offered by travel assistance planners. They keep your travel assistance requests on file and charge a percentage of your emergency costs.

5.3.1. 24/7 Emergency Assistance

When shopping for an international travel insurance plan, keep in mind an important feature of the insurance: 24/7 emergency assistance. Travelers may be miles away from the nearest medical facility; furthermore, if you are in need of assistance, you want that help as quickly as possible. With travel insurance that has 24/7 emergency assistance, help is just a phone call away. Furthermore, this assistance should also be given in the language you prefer. Travel insurance companies that specialize in assisting travelers are usually available 24/7. Look for one that also has multilingual support services. After all, a traveler can be at risk at any time of the day or night, and it's best to know that there will be someone on hand who understands your needs, and that you will be assisted in a timely manner. When it comes to emergencies, one never knows what will happen or where one might be when the need for assistance arises. It may be in the middle of a snowstorm, when flights to the region have been cancelled. It may be when working in chilly weather, when winter gear malfunctioned, leading to frostbite. It may be as simple as a case of food poisoning, as a result of inadequate restaurant hygiene. Some other

emergencies people may experience while traveling include – Natural disasters, Accidents involving you or your property, Injuries and illnesses. By checking out the emergency assistance services provided by travel insurance companies you are considering, you can also ensure that you choose an option that coincides well with the areas you will be traveling through, as well as your unique needs as a traveler.

5.3.2. Medical Referrals and Transportation

With the unpredictability of traveling, medical emergencies are not entirely unusual to expats. In such scenarios, traveling might leave one in a strange place, at the mercy of strangers for medical help. This is where an emergency travel assistance policy might bail one out. These plans step in to help you when your location is not familiar, and when getting the right medical help is the utmost priority. Assistance services such as medical referrals, hospital admission, transportation, and currency exchange advice services can be provided by these firms 24/7.

Medically necessary transportation to get one safely to their home hospital or primary care physician post illness/injury is one the main services provided under most travel health insurance policies and is called “medical evacuation.” These services are mostly used to transport a traveler from a remote area with limited medical services to a better-equipped facility in a bigger city. For instance, a traveler may need to go to a quick-service medical clinic to receive treatment for an allergic reaction to shellfish while vacationing on a Caribbean island for a wedding. It turns out that the island does not have the necessary medications, so the medical transport services take the individual via air, sea and/or ground to an appropriate facility that is able to address their condition.

Some travel insurers offering travel assistance services work with international divisions of large companies that already have the existing physical structures in place for offering these services overseas. These companies have workforces stationed in key cities worldwide, who are trained to handle overseas emergency assistance situations. They are on-call to help expats with a variety of requests such as assisting with local hospital admissions, medical transport for emergencies, and last-minute hotel accommodations.

5.3.3. Legal Assistance Abroad

In the unfortunate event that you find yourself in trouble with the law — such as a false arrest or detention — some travel insurance policies can provide assistance with legal representation, bail bonds, and related expenses. For clarification, travel insurance does not cover all legal costs — it will only assist if you have been wrongly detained or

arrested, and would otherwise be imprisoned. If you're arrested for drunk driving or other reasons, you're entirely responsible for your own legal costs.

Travel insurance generally does not include coverage for situations where you're accused of violating or breaking the law. However, it may not only be your well-being, but also the country's laws and regulations, which it must comply with — in which case, it's fully within your rights to be assisted or guided by a legal professional. If you need a lawyer in the country you are visiting, your travel insurance provider can provide assistance in finding and contacting one.

If you find yourself requiring legal assistance while abroad, your travel insurance provider can make a country-specific recommendation, assist in establishing your eligibility for legal assistance, and provide support for your legal defense. Many travel insurance policies also include additional features to assist you throughout your potentially stressful experience. These additional features might include assistance with locating legal resources available to you in the country you are visiting, assistance coordinating phone calls and communications with family, assistance contacting local embassies and fortified help centers, and more.

5.4. Health Coverage While Abroad

Ultimately, deciding whether to opt for a travel insurance policy, and to what level, depends on your risk tolerance and personal circumstances. For example, whether to incur entirely out-of-pocket expenses for any medical needs you may encounter, properly assess these expenses would be mindful of local price level considerations. It is recommended as a matter of prudent planning that you protect yourself from the worst-case, catastrophic outcomes for which you could try to purchase a policy specifying a high deductible or require necessarily less coverage for trips of shorter durations. Otherwise, opt to consider including the maximum amenities and coverage that you can afford within your available budget parameter. Travel insurance coverage is not uniform across plans so be sure to read these specific policy differences. Further, the word “insurance” is more liberally interpreted in the travel insurance space relative to “health insurance.”

It is important to note that not all travel insurance policies include health coverage, nor do medical evacuation and trip cancellation policies necessarily have such coverage components. Health insurance coverage responsive to particular medical needs while traveling abroad generally applies for those needs specifically and immediately arising while on our trip, unlike normal health insurance policies generally covering both in-network and out-of-network out-of-pocket expenses for “covered” medical needs in

other countries, used at the convenience of the traveler. It can be difficult to navigate when and how your policy will or will not sufficiently cover what specific situations.

5.4.1. Importance of Health Coverage

Adequate health insurance is an essential component of any travel plans, especially those involving international travel. Just as you have insurance to cover fire, theft, or damage to your property, or for personal liability, you should have insurance to cover medical emergencies and unexpected losses that can occur during travel. Without sufficient medical insurance, an unexpected accident or illness can haunt you for a long time to come. Medical treatment abroad can be expensive. In addition, getting insurance to cover losses and expenses for services not provided by your health plan can save you from sleepless nights during your relocation.

In the past and still today, many travelers mistakenly relied on their domestic security blanket for protection. However, standard health plans typically do not cover international mishaps, and domestic plans have been slashing benefits – restrictions on available options, referrals to network providers, out-of-pocket maximums, and cost-sharing ratios – and increasing premiums and deductibles. Therefore, if you are among the hundreds of thousands of Americans who travel outside their home nations every day or the millions who go abroad every year, you should not take a chance on inadequate health insurance or relying on your domestic plan.

5.4.2. Differences in Healthcare Systems

Most people in the US assume that they can get the same healthcare services and procedures that they would receive at home, no matter where in the world they may travel. Some popular destinations in lower-paying parts of the globe are more than willing to accommodate traveling guests with any range of healthcare needs. From simple primary care to the most extensive surgeries imaginable, Americans are used to waiting long hours in any part of the world to receive the same type of care that they expect at home, from rest and recuperation to public and private hospital services and facilities and physician and device fees. The reality is that the healthcare systems around the globe are very different, with drastically different objectives, inferences and a wide range of available services. Travelers who get sick or injured become dependent upon the healthcare systems in the countries that they are traveling.

Healthcare systems tend to have their own unique ways of doing things, and they are built upon a range of priorities, including such issues as political influence, available resources and funding, distribution of power, prevailing ideologies, and the values and

guiding principles of society. They may differ in relation to financial support, who controls and manages the system, core services, who receives care and what is a priority, and the way resources are mobilized. Most large countries in the world offer a range of practices and philosophies, with varying differences in accessibility, quality of services, and overall satisfaction. For example, many believe that the long wait lists and lack of service resources in certain hospitals make for just as much or more suffering than the solution oriented, paid service, for profit hospitals.

5.4.3. Accessing Healthcare Services Internationally

Accessing healthcare services internationally may not be as straightforward as grabbing a cheeseburger at a fast-food restaurant. Each country delivers care and charges for it in different ways. Before heading to your travel destination, learn how to access and pay for medical care. This is especially important in countries that do not widely entertain credit cards as payment and business owners expect cash or local currency. If the latter, you can use an ATM or branch bank for currency exchanges.

While traveling abroad, be aware most foreign doctors and hospitals who treat you expect cash or a credit card to guarantee payment for medical services provided. Unlike in countries with universal healthcare coverage, international providers may not bill your travel health insurance carrier for reimbursements later. If paying out of pocket, keep an itemized bill of all services provided including the reason for your visit, detailed diagnosis, and copies of test results. Then contact your travel insurance carrier immediately to determine what documentation you need to file a claim.

Travelers sometimes forget about their health coverage when making arrangements for international travel. An unexpected accident or sudden onset of a serious illness can detract from the joy of visiting new places and experiencing different cultures. Such events can also result in high medical expenses especially for those who do not have travel health insurance or direct billing with the right insurance carrier. If denied direct billing by the foreign hospital or doctor's office, be prepared to pay upfront for medical treatment before continuing your journey abroad.

5.5. Key Considerations When Choosing a Plan

When considering the right travel insurance for a trip, several factors come into play which can help to narrow down the vast amount of plans out there. It is a good idea to start by considering the coverage types of travel policies generally provide, as these can help answer the question of what kind of coverage you might need – or not need – in

your situation. This can then help to answer the question of what plan might best fit your trip.

Destination-Specific Coverage

Different travel destinations may require different types of travel insurance or ancillary assistance. This might seem non-obvious at first, since many travel plans provide generalized coverage for accidents, cancellations, liability, health, or theft, but there are some countries that require specialized insurance products due to how high risks can be for certain scenarios. For example, a number of countries either require proof of travel medical insurance for entry, or may recommend it strongly based on the risks of having travelers enter without function coverage. Coverage required (or strongly recommended) by a country usually provides somewhat basic travel medical – or health – coverage, so if you do not have a plan that specifically covers you through those areas, you might want to consider getting a specific policy.

Duration of Travel

How long you will be traveling can also affect the type of policy you seek out for your trip, especially whether you will be looking for a single-trip policy or multi-trip plan. Single-trip policies are beneficial in covering those traveling for one specific trip and may include ancillary benefits or other types of coverage that can be beneficial. Multi-trip policies may also provide some of those same benefits, such as trip cancellations, but they are much more limited in their coverage compared to one-time policies and may not cover some geographical areas at all.



Fig 5 . 2 : Single Trip or Multi-Trip

5.5.1. Destination-Specific Coverage

There are many types of travel insurance, and coverage may vary depending on destination. If you're just doing a short trip within your home country, be careful to buy a policy that covers that trip and not just your daily life. Likewise, shopping for a plan that suits your travel can avoid wasting money on superfluous coverage or worse, not being fully covered when you need it. Coverage can also vary vastly depending on destination. Travel insurance companies often apply a geographical rating system to their insurance policies to allow for the vast discrepancies in available treatment, the relative cost of emergency health care and recovery, and the level of risk in each country. When traveling to a remote area where healthcare may be difficult to come by — such as parts of South America or Afghanistan — it's often smart to look into a high-risk country level of coverage.

Some countries, such as Costa Rica and Australia, offer government-funded full free health service to foreign visitors and citizens alike; however, in other regions — and especially in the USA where health costs are one of the highest in the world — it's prudent to invest in a comprehensive international insurance policy covering risk factors prevailing in that area. Other destination-specific risks that may occur during travel are adventure activities such as scuba diving, bungee jumping, white water rafting, motorcycling, or climbing that can lead to personal injury; aspects such as epidemics or tech terrorism that may cause trip cancellations or delays; credit card fraud or loss of cash and baggage, or natural hazards such as earthquakes, floods, or typhoons; or personal liabilities related to vehicles that may result in heavy expenses.

5.5.2. Duration of Travel

Travel medical insurance differs from other insurance policies in that you can purchase the coverage temporarily without the contracts likely tied concurrently to your other types of insurance policies. Thus, giving insurance companies the upper-hand when one is overcharged for extended policies that may cover a person's health conditions that warrant their extremely high price point. Therefore, the price for travel medical insurance varies significantly based on the traveler's age and the length of the trip. Generally, and as is the case with most insurance types, the price increases as the length of travel increases because it is essentially based on the general rule that the exposure to risk increases as you travel longer.

However, if you are traveling for a longer period of time, it is often worthwhile to take a few minutes to check two types of premium calculations, each calculating quite different premiums: a simple travel medical insurance policy with a single period and the price for each segment of time. The first one usually entails a short-term premium

calculation based on the total travel time. If travel within the foreign country(ies) for purposes other than temporarily laboring or residing there is the sole travel motivation, and one is coming home, the insurance company will likely be available to charge the yearly plan. It is an unfortunate aspect of travel medical insurance in general that companies try to generate nominally lower prices but essentially offer less coverage during shorter trips by lowering the possible median benefit maximum. Thus, offering insurance companies yet another opportunity to profit by hoping that naive travelers select their insurance based solely on the price per day.

5.5.3. Pre-existing Conditions

Travel restrictions will prohibit people from taking travel insurance that excludes coverage for claims related to COVID-19, such as those with COVID-19 symptoms, those who are denied boarding due to a possible COVID-19 infection, and even those who are asymptomatic but test positive before or during the trip and become ill or test positive while abroad.

Most plans require you to have been stable for a specific period of time before their respective policy's effective date. Some pre-existing condition exclusions are strict, while others are more relaxed. The more relaxed exclusions allow you to get a pre-existing waiver, which means the plan will cover an eligible medical event caused by your pre-existing condition if you meet the waiver requirements. Pre-existing conditions are the medical issues you have received treatment for and/or made a recent change in medical and prescription coverage prior to going on your trip. Pre-existing conditions can also include issues that are being monitored by a doctor. The amount of time you have to have been stable before the effective date of the insurance varies. Some plans require you to have been stable for a specific time frame before your trip, while others may only require you to have been stable a specific duration of time before your travel insurance effective date. The most common time frame a person must be stable for is 90 days prior to the trip.

The Waiver requirements often require the insurance to be purchased within the first 14 to 21 days of your trip, which would cover financial default of the travel supplier if the insurance is purchased within 14 days of the booking date of the trip.

5.6. Cost Factors in Travel Insurance

"The purchase price of travel insurance is based on various underwriting factors. But the price of the plan is important for prospective customers to keep budgeted but they should

also take in total consideration all the benefits that are included in deciding on how much coverage they will be buying.

Travel insurance premiums are based on certain factors that can include:

- The length of the trip, including the dates of travel and return
- The trip cost
- The deductible amounts
- The medical coverage limits
- The trip cancellation and trip interruption limits
- The age of the travelers

1. Premiums and Deductibles

Most travel insurance plans provide a choice of deductible amounts for trip cancellation coverage and trip interruption coverage, and plans vary widely as to how much premium they charge for the several choices available. The deductible applies to trip cancellation and trip interruption claims only, never to trip delay, lost or delayed baggage, medical expense, or emergency medical evacuation or repatriation claims. Adding a trip cancellation and trip interruption deductible is one of the easiest ways to reduce the premium of a travel insurance plan. Because trip cancellation and trip interruption claims tend to be higher than other types of travel insurance claims, some travel insurance plans charge relatively more for low deductible amounts than others, and so it is best to compare the total premium prices of several travel insurance plans with different deductible amounts. For other trip costs such as those paid for by credit card or prearranged directly with the supplier of the trip, travelers should also check to see whether trip cancellation insurance will pay for those types of trip costs before just assuming that they might be covered.

2. Coverage Limits

Most travel insurance plans have coverage limits that apply to benefit categories. Some coverages and limits may be relatively low compared to the total cost of a trip, particularly for emergency medical treatment. The critical need for adequate coverage limits means travelers should compare plans carefully to be sure they get travel insurance coverage limits that are adequate for the type of travel they are undertaking. Travelers can never just assume the travel insurance they are buying has adequate limits."

5.6.1. Premiums and Deductibles

The price of travel insurance is calculated on the individual basis and is comprised of two main parts; the insurance premium that is paid before leaving your home country and the deductible. The insurance premium varies depending on the coverage you require and the company you buy your policy from. One company may ask you to pay less than another for the same coverage but it is generally best to compare like with like. A crude test is to evaluate the total price you're paying (the premium and the deductible combined) for a certain maximum benefit level. Coverage, exclusions and restrictions in the policies may be overlooked if you focus just on price. However when budget travelling it is an important consideration.

You can expect insurance premiums to be relatively high for short travel periods (less than two weeks). Insurance companies will gladly take the risk of needing to pay any medical bills while you are travelling, and they will charge you accordingly for this. Conversely, the actual risk undertaken by the insurance company for long travel periods may be relatively small and insurance premiums may not seem higher than the equivalent local policies. The premiums for special World-Wide travel insurance are decreasing as travel stagnation hit these providers. They should be viewed as your only option if you are going to be travelling constantly for at least a year. Homeward travel can be odious and budget-breaking even for short gaps in your travels.

5.6.2. Coverage Limits

Coverage limits indicate the maximum amount the insurer will reimburse to the insured for each individual claim or for all claims combined, depending on the contract covering the specific medical expense. Costs for medical emergencies such as hospitalization, surgery, and shock-trauma on-site will be covered, but generally only up to a predetermined limit. In addition, travel insurance typically has a lifetime limit, the total amount that can be claimed for all events occurring during the trip. Travel insurance is “not all-encompassing.” Preexisting conditions, losses from certain activities are sometimes excluded completely but usually have lower coverage limits. Tourists needing to evacuate a dangerous situation may indeed need to pay high travel expenses, as enemy troops advance on an embassy where they are trapped, or seek emergency transport to get out of a hurricane zone. The difficulty becomes determining the right amount of coverage on a travel insurance policy, and for which specific events.

Coverage limits are a key element in determining the cost of travel insurance premiums. Plans providing a low maximum crisis limit can be found. For instance, tourists and other travelers engaged in risky travel during a time of war, embassies in violent-Limited zones, and scuba divers exploring deep waters have options available providing

accommodation for claims of relatively low dollar amounts. For tourists with likely low medical expense during a trip, travel insurance including a preexisting condition exclusion clause makes the most sense. They are less likely to make a claim on the insurance, but if they do, it will be for a large amount associated with months of treatment and recovery in the destination country.

5.6.3. Exclusions and Inclusions

Insurance is uncertain by nature. It only makes sense as a financial backup against a million-to-one odds that something disastrous is going to happen. But when something does occur, and the insured seeks help, insurance companies are quick to deny the claim if at all possible. That's why it is important to read the fine print and understand what you're buying. Every insurance policy has a list of exclusions—specific circumstances for which the insured will receive no reimbursement. For example, you may buy a health insurance policy that does cover medical injury resulting from a heart attack or stroke, but exempts from coverage any medical care that takes place in the first 24 hours of the event. If you are healthy and symptom-free from the moment you travel until the moment of the heart attack, you could reasonably expect that your costs would be covered.

But according to the policy, they aren't. Insurance on your travels works the same way. Just when the worst thing that could happen does happen, the insurance company is almost guaranteed to refuse to cover the cost if a policy provision has been violated. So whatever you do before or during a trip, just know that there exist reasons for your company to refuse you coverage in a disaster situation. Your best protection is reading the cusp of exclusions beforehand. More than any other part of the insurance policy, this section affects the kind of travel insurance you purchase. One would think that this consideration would lead you to read the entire policy in detail. Instead most travelers skip to section one of the policy document that lists inclusive and payment amounts and sign on. That is a poor strategy. What good is a high payment amount if you cannot be reimbursed for your trouble? It is much more prudent to search for the most inclusive policy—a policy with the fewest exclusions of what you would consider the most likely circumstances.

5.7. Claims Process for Travel Insurance

Unless you have a medical emergency during your travels, you're likely to do little more than privately document the unfortunate event if it ends up being costly. But when it comes down to it, one of the most important reasons for buying travel insurance is to prevent unexpected expenses while you're abroad. If you do find yourself needing to use your travel insurance, here's a short guide to the potential steps.

Filing a Claim

There's no set time limit for filing a claim for travel insurance; however, each plan will have its own designated timeline, which is typically immediate but could be 30, 90, or 180 days. However, the sooner you file your claim, the better. If you experienced a flight delay, cancellation, or lost luggage, you will usually need to file a claim within a couple of days. Getting these funds back quickly can help ease your financial burden. Other claims, particularly those for medical care or trip interruption/reduction, may take longer to file.

Because travel insurance is designed to reimburse you for your expenses, your first step is usually to pay out of pocket for your medical care, transportation, or other covered event, such as your lost luggage. If you aren't able to pay, ensure that you contact the travel insurance provider to ask for instructions; some companies can pay for some expenses directly on your behalf.

Required Documentation

Travel insurance plans vary widely in their requirements based on your travel, the provider, the plan, and the types of incident. Keep in mind that these are considered insurance plans and not emergency assistance. While typical emergency assistance services include coordinating care for your coverage options and transport back home, you may not be able to file a claim with the company to get reimbursed for it.

5.7.1. Filing a Claim

The claim-filing process for travel insurance can vary based on the type of insurance being claimed. In general, travelers should gather necessary documentation outlined in the following sections, call the claims department to answer any remaining questions. Those claiming trip cancellations or interruptions should do so as soon as possible. Those claiming other types of coverage should refrain from submitting a claim until medical files have been received from medical providers. Then, travelers should begin filing a claim 60 days prior to the 90-day deadline. That way, if the insurer requests more information, there is enough time to comply with the new request.

Once the claim form is submitted to the insurer with the requested documentation, the next step is to sit back and wait for the insurer to decide if the claim is approved or denied. Insurers generally resolve claims within 30 days if the necessary documentation and travel file from the travel provider has been submitted with the claim. Regardless of whether the claim is for cancellation or interruption, the travel insurance company needs the same essential documents: the travel insurance policy, proof of payment, and

documentation sufficiently establishing that the event being claimed is covered and how much it is worth.

5.7.2. Required Documentation

In order to support claims for travel coverage, it is important to fulfill the documentation requirements within the time frames specified. This includes documentation labeled "proof of loss," which is usually available through the claims department of the travel insurer. Travelers typically must submit a covered loss claim within 30 days after the loss occurs. At that time, proof of loss documentation must be submitted which generally includes the incident report, record of paid expenses, and other available supporting documentation. Important supporting documentation includes statements, invoices, receipts, and contracted amounts confirming the amounts for which you're seeking settlement. Original copies are most often preferred, but they may not be required. Many companies do not return original documents, so keep a duplicate file for your records.

If any additional required documentation is not available at the time of your loss claim, and for your covered loss, it is usually necessary to send a completed claim form stating the reason it is not available with your initial claim submission. In many circumstances you may be required to arrange for your coverage provider to receive missing documentation within an established time frame. As an example, in many cases, travel medical coverage requires the statements from your physician who treated you to confirm the treatment and explain in support of your claim the nature of the illness or injury. As stated earlier, travel insurance usually provides coverage for specific losses and circumstances, and among other things is a reimbursement plan that will pay only after the charges have been incurred and not previously paid by you. Do ask your provider for its criteria for documentation requirements.

5.7.3. Claim Denials and Appeals

Even if you've completed the claims process appropriately, that does not guarantee that your claim will be paid. There are a number of reasons why insurance claims may be denied. Often, if there was confusion regarding coverage and exclusions, it may not have been clearly flagged in your policy documentation. If you believe you are entitled to a claim, review your policy and the denial letter carefully to see whether there was a misreading of the policy. Possible grounds for appeals include: (1) additional documentation, such as cooperating witnesses, police or investigative reports, or medical records or claims, may help substantiate the cause of loss; (2) expert testimony may help prove coverage for a special cause of loss or refute a specific exclusion; (3) your travel or health provider may overlook a code for the procedure in these types of illnesses. With

specialized medical care administrators, it can be difficult to navigate the claim; assistance can get tricky quickly if deciphering stayer’s or resident’s versus traveler’s insurance coverage; also returning to your home country early can be complicated, particularly if you are traveling with family members. Addressing the timing of required procedures may also help.

Insurance policies also use lost language to narrow conditions or limits for certain types of claims for which most travelers have no experience. Travel insurance companies regularly deny claims for on-the-road medical emergencies for non-residents if you did not purchase travel health insurance when you arrived. Both travel and residence health insurance companies may deny claims if you were waiting for reserved or needed surgery or other procedures.

5.8. Conclusion

Purchasing travel health insurance is a crucial consideration for any major journey abroad, especially for long-term travel or an extended time outside your home country. Without it, any unexpected emergency could result in a major regret and financial burden. The insurance space has matured since I first dove in more than a decade ago. A growing list of providers offers a range of options, and comparison sites are making it easier to find and purchase appropriate coverage. Your needs may differ based on the destination and purpose of travel, but you'll be in a much better position to evaluate the options after reading the information here. With the advent and continued global existence of COVID-19, traveling internationally (especially for long periods of time) comes with new considerations and complexities.

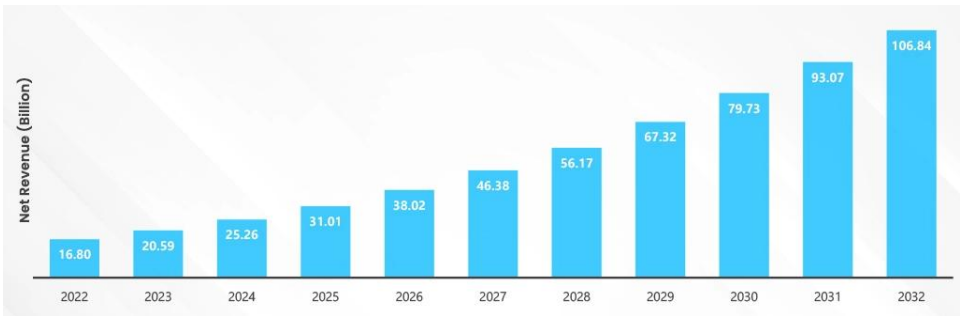


Fig 5 . 3 : Insights Into The Travel Insurance Market

Choosing an appropriate travel insurance plan is not always easy but is extremely important in the grand scheme of traveling. In addition to the types of coverage and specifics of the plan that you need, the details are often difficult to sort through to ensure you get the correct price for what you need. Many times, travelers become overwhelmed

and frustrated and just decide to purchase the first or easiest policy to get, but it is extremely important to shop around and consider what you may need and what each plan provides prior to purchasing. The easiest way to evaluate your options is through a travel insurance broker which will allow you to compare policies from various companies to ensure you get the best price for the necessary coverage for your travels.

5.8.1. Final Thoughts on Travel Insurance: Making Informed Choices

In the end, you have choices to make. And if you've thought carefully about your health coverage and emergencies according to the guidelines outlined in this chapter, you're in a better position than most to make an informed choice about travel insurance plans. Robust travel plans generally put providence on your side, but we also recommend purchasing emergency medical evacuation and repatriation insurance. If you're older than 70, have an established illness or other health-related challenge, and still have questions, we feel your best option is to call a few travel insurance companies for personalized information and recommendations.

If you're considering coverage for your travel overseas and if the area or areas you plan to visit generally have good medical care and you plan to exercise caution on your trip, you may not need travel insurance at all. Be aware that many of the coverages in travel insurance plans sometimes overlap existing hospital and medical coverage, homeowner's insurance, medical coverage that some roadway assistance programs provide, and credit card benefits. When determining what to buy and where to buy it, read the fine print, and talk with your insurance agent. Insurance agents who don't sell travel insurance plans can be a good resource for figuring out whether you need extra coverage or not. These non insurance agents can usually provide valuable advice on the specific insurance policy and level of coverage you require. If your medical and financial needs coincide, they can also give you the best prices to compare with.

Ultimately, travel insurance can benefit only you. Each individual's traveler's health plan is as unique and different as their own travel plans, past experiences with traveling, and any unforeseen emergencies that may come up. Travel insurance companies realize this, that's why they have a variety of plans you can purchase; at different premiums, with varying amounts of coverage and special features. Be sure to do your research.

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