



## Travel insurance

Did you postpone your holiday in the hope that the Irish summer would deliver? Well, if it didn't live up to your expectations and now you're planning some time in the sun, *Consumer Choice* outlines travel insurance options for you to consider.

A survey in 2008 conducted by TNS MRBI on behalf of VHI Healthcare's travel insurance division found that almost half of travellers go on holiday without taking out any travel insurance. This is despite warnings by the Department of Foreign Affairs about the importance of taking out insurance before travelling abroad. The survey of over 1,000 adults nationwide revealed that 48% of respondents travel uninsured. However, approximately 3,000 people required emergency

treatment while overseas, and claims paid amounted to €11 million in 2007, according to VHI. With this in mind, taking out travel insurance is probably better done than not – as long as the policy suits your particular needs.

### Travel insurance recap

Travel insurance is sold as either single-trip or multi-trip policies. Multi-trip policies have gained in popularity in recent years reflecting changes in travelling habits, with many of us

preferring to take several short 'mini-breaks' throughout the year as opposed to the annual two or three week vacation.

Multi-trip policies tend to work out cheaper than single trip cover if you take more than a couple of holidays a year, especially if you are planning a skiing holiday. Cover for winter sports is an optional extra in most multi-trip policies, but occasionally some policies offer winter sports cover for free. It is important to remember that there is a limit on the number of days covered on

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any single holiday, but most insurers cover you for at least 31 days and sometimes up to 60.

Excesses are important too. A policy excess is the first part of a claim that you must pay yourself, and given that most insurance claims are likely to be for smaller medical bills or thefts, the excess on the policy becomes key in determining how much of claim you are entitled to. The CAI recently received a complaint from a consumer upset that her claim for a €115 medical bill was rejected by the insurance company. However, the excess on the policy was €125 and so unfortunately for her, the insurance company was within its rights to refuse payment.

### Influenza A/H1N1

The situation regarding the validity of travel insurance policies and the spread of influenza A/H1N1 remains unclear but is guided by the Department of Foreign Affairs. If the Department warns travellers against travel to a certain country or region, insurance companies are less likely to pay out in the event of a claim which is connected to the advice given by the Department.

In the case of travel to Mexico, the Department has relaxed its advice that non-essential travel should be restricted. However, despite this, the Department specifically recommends that comprehensive travel insurance is taken out before travelling there.

The best rule of thumb if you are concerned about an outbreak of a contagious disease in the country you

are travelling to is to carefully check the wording of your insurance policy and call the company directly for clarification if necessary, as many insurers do not specifically address the issue of a disease outbreak such as influenza A/H1N1. One of the insurers in our survey that does specify cover levels is Aer Lingus, which says that it “will not cover you from any claim arising from or consisting of an epidemic or pandemic.”

### Health Insurance

A health insurance policy – if you have one – will also provide some level of cover when travelling abroad. Depending on the policy, insurers generally cover between €55,000 - €100,000 of costs associated with an accident or emergency abroad. That said, these policies will only provide cover in times of absolute medical emergency and won't give protection against the myriad of other mishaps that can befall travellers such as lost baggage or travel delays.

At the same time, having a health insurance policy will, in certain instances, get you a reduction in the cost of your premium. For example, policies taken out with Trailfinders receive a 30% discount on premiums provided your private health insurance policy provides medical expenses cover overseas. Bank of Ireland, Justcover and 123.ie also give reductions in your premium if you have health insurance.

### Making a claim

It's important when making a claim to

carefully follow the wording of the policy documentation. Send copies of any incident report, or receipts where possible. Where the insurance company requests originals, make sure you send them by registered mail. And when dealing with the insurance company it's always a good idea to keep a record of dates along with the names of the people you dealt with.

If your claim is unsuccessful and you wish to appeal the decision, first exhaust the complaints procedure of the insurance company in question. If this doesn't produce a satisfactory resolution you can always refer the matter to the Financial Services Ombudsman who can adjudicate on the claim.

### Our survey

The last time that *Consumer Choice* surveyed the travel insurance market was in 2007. At that time we found that premiums had fallen in many cases with the corresponding benefits also seeing some improvement. On this occasion, we found that premiums have either continued to fall or have remained the same in the majority of cases. For annual worldwide travel insurance, of the insurers that were included in both this year's survey and the 2007 report, we found that the insurance premiums for single, couple and family cover of three companies were lower (AA, Justcover and Blueinsurance), two were the same (Ryanair, Zurich) while one increased their premiums (AIB). Other insurers' quotes (Aer Lingus, Bank of Ireland, Getcover.com, eBookers) were mixed.

TABLE 1: ANNUAL WORLDWIDE TRAVEL INSURANCE

Insurer	Individual	Premium (€) Couple	Family	Medical cover (€m)	Cover abroad limit (days a year)	Single trip limit (days)	Winter sports limit (days)	Children covered (number)	Child age limit (years)	Adult age limit (years)
Aer Lingus	59	84	104	13	None	31	17	No limit	17	64
Ryanair	54	79	99	3.3	None	31	24	No limit	17	64
AA Ireland	83	166	200	11	None	45	17	5	18 <sup>1</sup>	No limit
AIB Bank	90	129	138	6.35	90	31	21	No limit	18 <sup>1</sup>	64
Bank of Ireland <sup>2</sup>	87	158	202	10	None	60	17	No limit	18 <sup>1</sup>	No limit
Zurich	115	140	160	2.5	90	31	17	No limit	18 <sup>1</sup>	No limit
Getcover.com <sup>2</sup>	62	121	182	10	90 <sup>4</sup>	31	24	No limit	18 <sup>3</sup>	69
Justcover.ie	67	95	95	7.5	None	45	17	4	23	75 <sup>5</sup>
Blueinsurance.ie <sup>7</sup>	66	96	96	5	None	60 <sup>6</sup>	21	No limit	18 <sup>1</sup>	74
ebookers.ie	66	133	199	10	None	45	17	No limit	18	65
Trailfinders <sup>8</sup>	119	159	n/a	7.5	None	31	28	No limit	18	79
Multitrip.com	40	60	78	5	None	60	21	No limit	18	79
123.ie <sup>8</sup>	58	104	134	3	None	45	17	No limit	17	No limit

Information obtained online. Figures rounded to nearest euro. <sup>1</sup> Up to 23yrs if still in full time education. <sup>2</sup> Premium policies quoted. <sup>3</sup> Up to 22 yrs if still in full time education. <sup>4</sup> Option of 90 days per year or 31 days per trip. <sup>5</sup> Restrictions or premiums may apply to those aged over 66. <sup>6</sup> 35 days if you are aged 65-69yrs, 21 days if you are 70-74yrs. <sup>7</sup> Blue Insurance trades in association with Budget Travel, travelinsurance.ie, chill.ie and quoteline.ie. <sup>8</sup> Quotes are for silver policies.

## TRAVEL INSURANCE TIPS

### Airlines

Both Aer Lingus and Ryanair sell travel insurance with their flights and while there is no obligation on passengers to purchase these policies, opt-out procedures can be confusing for consumers unfamiliar with the online booking process. On the Ryanair website, when completing passenger details, there is a travel insurance section where you are asked to select a country of residence. If you don't want the insurance you must go in and select 'No Travel Insurance Required'; otherwise you could easily end up inadvertently buying a policy. Similarly with Aer Lingus, consumers must opt out if they don't wish to purchase travel insurance along with their flight.

### The price is not always right

While price is an important consideration, it should not be the sole determinant in deciding which travel insurance policy to buy. More important is the level of cover required. In the TNS MRBI survey, it was found that 26% of respondents stated that

they bought their travel insurance based on the price of the policy while only 8% chose their policy based on the level of cover provided.

### Always check the small print

The 2008 Annual Report of The Financial Services Ombudsman highlighted a number of instances where the details contained in the small print of travel insurance policies invalidated travellers' later claims. In one instance, a policy holder made a claim for €4,000 for goods stolen when travelling in South America. However, because the claimant could not provide proof of purchase (warranties, receipts etc.) and because, according to the Ombudsman, the wording of the policy was 'clear and unambiguous' in relation to the proof of purchase requirement, the complaint was not upheld and the claim was deemed invalid.

In another case where a policy holder had €1,600 stolen from an hotel room, the claim was struck down because it was deemed not to have complied with the terms and

conditions of the policy which specifically stated that cash is only insured when it is held in a 'safety deposit box/safe or on your person'.

### Pack a copy of your policy

Once you have decided which travel policy is right for you, photocopy the documents and take them with you on your trip (leaving the originals at home). Hopefully you won't have to consult it at any stage, but in the event of an accident or mishap it will contain the details of your cover, along with the relevant contact details and the necessary steps to take in an emergency

### Shop around

Remember, if you are booking a package holiday via a tour operator, there is absolutely no obligation to buy a travel insurance policy with that operator. You may be obligated to have a travel policy as part of the terms and conditions of the package, but this can be purchased from any provider.

## Useful contacts

### Irish Insurance Federation

Insurance House  
39 Molesworth Street  
Dublin 2  
tel (01) 676 1820  
fax (01) 676 1943  
email fed@iif.ie  
www.iif.ie

### Financial Services Ombudsman

3rd Floor  
Lincoln Place  
Dublin 2  
1890 88 20 90  
email  
enquiries@financial  
ombudsman.ie  
www.financial  
ombudsman.ie

It was a similar story for single trip cover. Since the 2007 survey, four insurers had reduced their premiums (Aer Lingus, AA Ireland, Getcover, Trailfinders), three were more expensive (Bank of Ireland, Blueinsurance, Ryanair) while the premiums of three insurers remained the same (AIB, Justcover and eBookers).

In terms of benefits offered by the insurers, these were largely unchanged

since our last survey. Aer Lingus provides cover up to €13 million for medical expenses – one of the most important elements of any travel policy. AA Ireland was next, offering €11 million (up from €6 million in 2007). 123.ie's silver policy only provides medical cover for €3 million while its premiums are all comparable to or more expensive than Aer Lingus. Overall, in our survey, the cheapest single trip policy for a two week

period in Europe and worldwide was with Multitrip.com, at €10 and €27 respectively. The average across providers was €24 for European cover and €45 for worldwide travel. For annual worldwide travel insurance, the cheapest provider for cover was again Multitrip.com. The average premium cost across providers for an annual policy was €74 for an individual, €117 for a couple and €141 for family cover.

Report by  
Mark Channing 

TABLE 2: INDIVIDUAL PREMIUMS AND MAXIMUM COVER FOR TWO WEEK HOLIDAY IN EUROPE OR WORLDWIDE

Insurer	Premium (€) Europe	Worldwide	Personal Accident (€1,000)	Medical cover (€m)	Personal property (€1,000)	Baggage delay (€)	Money loss (€)	Cancellations (€1,000)	Delay (€)	Personal liability (€m)	Adult age limit (years)
Aer Lingus	14	40	26	13	2.25	140	350	4.5	280 <sup>1</sup>	2	n/a
Ryanair	25 <sup>5</sup>	30	25	3.3	1.235	250	825	0.825	100 <sup>2</sup>	2	64-69 <sup>4</sup>
AA Ireland	45	70	32	11	2.75	150	700	6	700	2.25	n/a
AIB Bank	29	41	30	6.35	1.5	100	500	3	150 <sup>5</sup>	2.5	64
Bank of Ireland <sup>6</sup>	47	74	35	10	2.5	500	700	5	400	2.5	n/a
Getcover.com	19	45	40	10	2.5	200	800	7	500 <sup>7</sup>	3.25	76
Justcover.ie	20	40	30	7.5	2.175	145	360	4.5	150	3	75 <sup>7</sup>
Blueinsurance.ie <sup>8</sup>	17	39	20	5	2	200	500	4	200	2	74
ebookers.ie	13	29	35	10	3	450	300	7	450	2.5	64
Trailfinders <sup>10</sup>	24	69	75	7.5	3	150	750	7.5	140 <sup>11</sup>	3	79 <sup>9</sup>
Multitrip.com	10	27	25	5	1.5	250 <sup>12</sup>	500	3	150 <sup>13</sup>	2	79
123.ie <sup>13</sup>	14	38	15	3	n/a	250	250	1.5	250	1	n/a

Information obtained online. Figures rounded to nearest euro. <sup>1</sup> Up to 23yrs if still in full time education. <sup>2</sup> Premium policies quoted. <sup>3</sup> Up to 22 yrs if still in full time education. <sup>4</sup> Option of 90 days per year or 31 days per trip. <sup>5</sup> Restrictions or premiums may apply to those aged over 66. <sup>6</sup> 35 days if you are aged 65-69yrs, 21 days if you are 70-74yrs. <sup>7</sup> Blue Insurance trades in association with Budget Travel, travelinsurance.ie, chill.ie and quoteline.ie. <sup>8</sup> Quotes are for silver policies.