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## YOUR MONEY

# TRAVEL INSURANCE FOR HOLIDAYERS Sum insured should depend on destination, trip duration, and age

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This holiday season, Indian travellers are likely to flock to short-haul destinations. According to the Policybazaar Holiday Travel Trends 2024 report, Thailand and the United Arab Emirates accounted for 23 per cent of global travel insurance policies sold on their platform. Demand for higher coverage of \$250,000 and above is growing. Travellers are also increasingly opting for add-ons covering refunds, adventure sports, and cyber fraud. Before heading abroad, ensure your travel insurance policy offers all essential coverage and has an adequate sum insured.

### Key considerations for deciding coverage

**Age:** Coverage requirements vary with age: older travellers need higher medical protection.  
**Trip duration:** "A longer trip requires more extensive medical coverage," says Jaideep

Deorukhkar, vice-president and national sales manager—agency travel, Tata AIG.

**Destination-specific risks:** Travellers to countries like the United States and Canada need higher cover (\$250,000–5,00,000) due to steep medical costs in those countries. "For Europe, Singapore, or Japan, too, a coverage of \$10,000–50,000 is recommended," says Meet Kapadia, head of travel insurance, Policybazaar.

**Non-refundable bookings:** Sometimes, travellers spend a lot

on non-refundable bookings like flights, hotels, or events.

"Choosing a plan that includes trip cancellation or interruption cover is wise to protect those investments," says Rakesh Jain, chief executive officer, Reliance General Insurance.

### Be aware of key exclusions

Travel insurance usually excludes all liabilities that arise due to negligence or intentional violations. "If you travel against your doctor's advice and that leads to a medical condition; you breach the laws of the nation you are visiting; self-inflicted injuries; obesity, and cosmetic treatments—these are not covered by travel insurance," says Parthanil Ghosh, director and chief business officer, HDFC Ergo General Insurance.

Deorukhkar adds: "Suppose you have a connecting flight that you choose not to board due to jet lag. That will not be covered. Similarly, if you have landed at a city's domestic airport instead of the international airport and need a transit visa, the cost of the visa will also not be covered." Most extreme scenarios require the purchase of an add-on.

### Add-ons to broaden coverage

**Adventure activities:** Standard policies exclude high-risk activities like scuba diving and bungee jumping. An add-on policy is needed to cover them.

**Gadget protection:** Base policies cover passport loss but not gadgets. "For coverage of laptops or mobile phones, an add-on is needed," says Kapadia.

**Cybersecurity:** Demand for cyber insurance coverage is rising. "Public Wi-Fi abroad poses risks. Hackers exploit these networks to gain access to your devices, steal sensitive data, or install malicious software," says Kapadia.

### Avoid these mistakes

Travel insurance should be bought well in advance. "This will allow you to assess your needs and select the right policy," says Aashish Sethi, head—health strategic business unit and travel, Bajaj Allianz General Insurance. Many travellers buy a policy after only comparing the premiums. "They overlook the details of the coverage," says Deorukhkar.

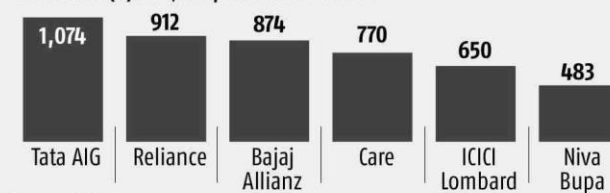
Travel agents may not have many options and hence may not offer the best plan for your destination. "While agents offer convenience, it is important to compare different plans," says Rathin Lahiri, head—marketing and CSR, SBI General Insurance.

Stricter visa norms are causing more rejections. Kapadia suggests buying visa rejection cover to recover the visa fee.

Ghosh stresses the importance of disclosing pre-existing conditions to avoid claim rejection.

## HOW MUCH DOES INSURANCE FOR A 10-DAY TRIP WITHIN ASIA COST?

Premium (₹) for \$250,000 sum insured



Source: Policybazaar