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# How To Choose the Best Travel Insurance for Your Client

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Pam MacIntyre, a travel advisor with Travel Leaders Market Square in Maple Grove, Minnesota, learned the importance of travel insurance early in her career, when her sister was in a serious car crash during a vacation in Costa Rica.

“She was thrown through the windshield and had 16 broken ribs and 40 stitches in her head,” MacIntyre said. Her sister’s boyfriend had a compound fracture of his leg. “They had to be airlifted to a hospital, and they both came home in wheelchairs.”

Her sister, who had not purchased travel insurance, also came home with nearly \$20,000 in medical bills.

MacIntyre says it affected how she presents travel insurance to her clients. “In the end, we never judge who chooses what. But I want to make sure that people understand what they’re saying yes or no to so they can make a personal decision about what’s right for them.”

Travel insurance, an optional purchase, protects against financial loss and certain other risks that can happen during travel. While policies differ, they can cover cancellations, medical costs and evacuations, losses or delays and provide 24/7 assistance while traveling.

A 2023 Business Insider survey found that only 38% of travelers purchased insurance. More than half purchased a policy through a travel provider (e.g., a booking engine, airline, cruise provider, tour group or similar), and another 17% bought through a travel advisor. The remaining 13% bought their travel insurance through an insurance marketplace.

Overall, MacIntyre recommends clients especially consider insurance when planning international travel. “Most people are spending a lot of money, and they’ve been saving for a really long time. You want to be able to not only protect your investment — you want to protect yourself.”

While the cost and details of travel insurance vary, MacIntyre estimates it can add anywhere from \$80 to \$2,000 to a trip, depending on the situation and what you want to cover. “Two thousand dollars is getting into some pretty high-end trips,” she said. “On average, the insurance for a weekend trip to Mexico, for example, is going to be on average between \$80 to \$150 or so. But there’s really some variability.”

Bottom line: Insurance options are rarely cookie cutter, and they should be customized for your client and their unique trip. Here are the top coverage types to consider when helping your client navigate options.

## Travel Insurance and Cancellation Coverage

One feature of travel insurance can be cancellation coverage, and MacIntyre says the client should consider what might cause them to cancel their trip. “Traditional insurance has very specific reasons for trip cancellation. If I’ve got a group of friends traveling, I ask, ‘If one of the couples needs to cancel their trip, are you still going to go?’ What about if they’re traveling to a wedding, and the wedding gets called off? Because if the answer is no, then you need to lean toward a ‘cancel for any reason’ option.”

Daniel Durazo, director of external communications at Allianz Partners USA, which sells travel and other insurance, stresses that clients need to carefully read any particular plan they are considering and understand exactly what it covers. “Cancellation coverage will reimburse you for the full cost of your nonrefundable, prepaid travel expenses when you



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have to cancel your trip for a reason covered by your policy, up to the limit of your plan,” he said.

## Medical and Dental Insurance

There are two types of travel insurance to advise clients on, Durazo says. “Some insurance policies will cover a single trip, and others will cover all your trips for an entire year. An annual travel insurance policy is both convenient and cost-effective for the frequent traveler.”

While domestic travelers may find cancellation coverage the most important benefit, Durazo says international travelers may focus more on coverage for a medical emergency.

“Overseas healthcare providers usually won’t accept U.S. domestic health insurance and will often require payment before treatment is provided,” he said. “Travel insurance will reimburse costs for emergency medical treatment and can even guarantee payments, so you won’t have to pay out of pocket for your care.”

Some insurance companies will even consult with U.S. doctors to determine if the medical treatment being recommended overseas is appropriate.

It can be expensive, and sometimes difficult, to arrange emergency medical transportation home from an international location — another reason some clients may want travel insurance with that coverage.

“Many travel insurance products include coverage for emergency medical transportation, which can pay to transport you to the closest appropriate medical facility and even get you home,” Durazo said. “Emergency medical transportation can be extremely expensive and hard to arrange, so never leave the country without coverage for medical emergencies.”

MacIntyre says medical and dental benefit insurance for overseas travel generally comes with emergency and destination contacts. “That’s great to have because, for instance, if you’re traveling to the Dominican Republic, which is predominantly Spanish-speaking, you can contact the insurance company and, instead of speaking to the hospital through translator apps, they can help you with communication,” she said.

“Nobody thinks a medical emergency will happen to them on their trip but, unfortunately, anything that can happen at home can also happen while traveling,” Durazo said.

## Pre-existing Condition Coverage in Travel Insurance

MacIntyre says clients should understand how preexisting conditions work regarding travel insurance. “It’s not just for the travelers, it’s also for family members. So, if somebody booked a trip, you’re going to have a window to add travel insurance to include a pre-existing condition waiver.”

Consider the example of a young couple who booked a honeymoon trip but then learned one of their fathers was having a medical crisis. The father knew he had cancer, but hadn’t yet told the children. The couple canceled their honeymoon trip, went through the benefit process and received a refund because they had a pre-existing condition waiver in their travel insurance policy.

“It’s important for all travelers to obtain coverage for existing medical conditions, not just for themselves but for close family members or traveling companions that may cause an insured traveler to have to cancel their trip,” Durazo said. “Coverage for existing medical

conditions often requires insured customers to meet certain conditions, such as purchasing their policy within 14 days of making their first trip deposit, insuring the full cost of the trip and being medically able to travel at the time the insurance was purchased.”

## Read the Fine Print

Durazo says the most important thing is to review coverage carefully to be sure you understand what’s covered and what’s not since all policies are different. He says, for example, that Allianz’s OneTrip Cancellation Plus covers cancellations but not medical emergencies, so it may be helpful for domestic trips in which emergency medical coverage may not be needed. On the other hand, the company’s OneTrip Emergency Medical Plan covers medical emergencies but not trip cancellations.

Other policies offer various combinations of cancellation and emergency medical benefits. Some plans include baggage loss and damage. This may or may not include more expensive items, such as jewelry, electronics and sports equipment.

Travelers can request an add-on fee for what are often considered higher-risk activities, such as ziplining or parasailing.

“Usually when it comes to insurance, that adventure add-on can be pretty minimal, and so usually I’ll talk to my customers about it based on their travel plans,” MacIntyre said. “In many instances, it could literally be \$2, \$3 or \$4, so very minimal, although it depends on the trip cost and age at time of travel. It’s going to vary from insurance company to insurance company, but overall, we recommend that if there’s a chance you might do any sort of adventure travel, it’s better to have it for peace of mind.”

MacIntyre says she’s glad she learned about travel insurance following her sister’s car crash in Costa Rica.

“Obviously, it wasn’t ideal to have learned it that way,” she said. “But I’m also very grateful, because I feel it’s allowed me to be a much more thorough and helpful advisor.”

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## About the Author



Leslie Lang is a Hawai’i-based writer who writes about technology as well as the Hawaiian Islands. Her latest book, “What Would Our Kupuna Do?: And What We Can do For Future Generations” is co-written with Richard Ha and available on Amazon.

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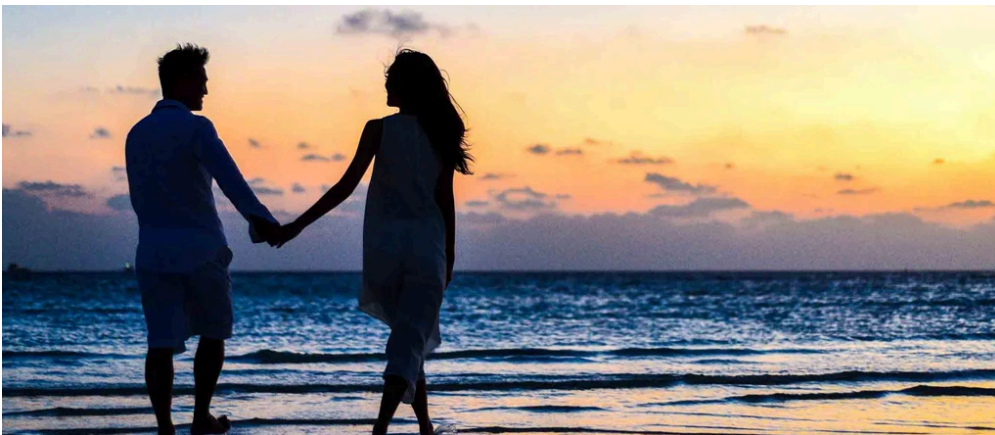
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