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## Planning for Volcanoes and Other Vacations Jams

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<http://online.wsj.com/article/SB10001424052748704629804575324843504861632.html>

When volcanic ash clouds darkened a large swath of Northern Europe in April and resulted in an unprecedented number of flight delays and cancellations, many travelers who had once pooh-poohed travel insurance decided to take a second look.

"Any type of event like the volcanic ash event really creates heightened awareness of the need for travel insurance," says Michael J. Ambrose, president of Travelex Insurance Services. "Our calls shot up 20% to 30%."

Although no figures detailing the increased popularity of travel insurance since the volcano eruption are available, Wayne Nelson, senior manager of industry affairs for the American Society of Travel Agents, says, "When events like this ... occur, most [in the industry] agree that sales at least double."

In 2008, Americans spent nearly \$1.6 billion on travel insurance, according to the U.S. Travel Insurance Association, reflecting a growth of about 13% over the past two years. Sales are increasing in part because travelers realize the importance of health care and medical evacuation. "When you leave the country in some incidences your health-insurance plans might not cover you," says Mr. Ambrose. Also, he adds, "trip interruption and cancellation coverage has become more important in recent years due to travelers worried about losing their travel investment."

We compared comprehensive travel insurance plans from four online providers. Each website featured easy-to-use quote calculators that quickly provided a cost estimate based on country and state of residence, destination, trip cost and duration, and age of each family member traveling. Prices for comparable plans didn't vary much; the time-consuming aspect of the process was parsing the details of coverage.

Each plan offered similar 100% to 150% flight cancellation or interruption coverage, but varied in what is deemed "acceptable reasons for cancellation," and coverage for delayed flights, missed connections and lost baggage. Most plans cover cancellations due to medical illnesses, weather-related shutdowns by carriers, or the death of a family member. Yet there is enough variability in covered reasons (ranging from jury duty to employer mergers and acquisitions) to warrant a close look at the fine print. Medical care and evacuation coverage varied considerably as well.

In the case of the Icelandic volcano eruption, most insurers have been covering cancellations and delays under their adverse weather clauses. Insurance must be purchased before an eruption is declared a foreseeable event or after common carrier schedules return to normal in order to be covered by most plans.

Worried that the giant British Petroleum oil slick will ruin your Gulf of Mexico vacation? None of the plans covered this event outside of "cancel for any reason" policies—deluxe plans that are generally 30% to 40% more expensive than more restrictive plans, according to Alex Velinov, president of Total Travel Insurance. Mr. Velinov adds that certain plans will cover cancellation if the oil slick shuts down the hotel or resort you booked.

Travelex's no-frills Basic plan clocked in with the lowest quotes for two trips we planned this summer, one to Atlanta and one to London. We liked the site's uncluttered home page and went directly to the "Get a Quote" box. After inputting our travel details, it was easy to compare the four plans offered. A chart spelled out each plan's benefits in 10 categories, such as trip cancellation, medical evacuation and accidental death and dismemberment coverage.

We opted for the least expensive Basic plan, which covered our family of three's \$800 Atlanta flight for \$76. In addition to 100% trip cancellation and delay coverage, the plan offered \$500 a person in lost-baggage coverage; \$100 a person for baggage delay; \$15,000 in medical benefits for either sickness or accident; and \$100,000 in medical evacuation. Adding the "cancel for any reason" clause would have bumped the price up to \$110. For our five-day \$4,500 London flight, the same two plans were priced at \$110 and \$161.

While Travelex's plan was the least expensive, Travel Guard offered better coverage for the Atlanta trip for just \$2 more. This plan provided flight-interruption protection worth 150% of the cost of the flight, \$1,000 and \$300 a day in lost or delayed baggage coverage, \$25,000 in medical insurance, and \$500,000 in medical-evacuation coverage. When we tried to add on "cancel for any reason," a Travel Guard agent we contacted said this feature wasn't available to New York state residents.

Before we finalized our purchase, we got to review the plan's terms and conditions, and click on a link for alerts and strike notifications. A list of nine striking airlines and 54 travel suppliers in default came up, informing us that these carriers wouldn't be covered for trip cancellation/interruption after certain dates.

At the Access America's site, we liked how easy it was to compare coverage between the company's three plans. The site also let us save our quotes for later purchase. We were puzzled to see the economy "Basic" plan for our London trip was \$11 higher than the more generous "Classic Comprehensive" plan. A spokesman for Access America accounted for the difference by explaining that the Classic Comprehensive plan includes a "kids are free" feature that the Basic plan doesn't.

For our Atlanta trip, Access' basic plan was \$76, \$2 less than the Classic Comprehensive with a free kids feature. But it only offered \$150 for missed connections (compared with \$500 and \$750 for Travelex and Travel Guard), \$10,000 in medical coverage and \$50,000 for medical evacuation.

For comparison, we tried Total Travel Insurance, an aggregator site that pulls together price quotes from major travel insurers. The home page looked too chaotic, but the FAQ on trip cancellation insurance was extremely informative (especially its entries on terrorism and inclement weather coverage).

The site's quote calculator came up with four plans, telling us the cost, percentage of total trip cost, provider and the underwriter. We were surprised that Total Travel didn't pop up with the lowest price. But Mr. Velinov says, "Some plans have such limited cancellation [coverage] that we don't think those plans are worth introducing to customers."

We liked the site's detailed analysis of each plan, and the function that let us view two plans' benefits in side-by-side charts. Another plus: the automatic inclusion of two "cancel for any reason" plans in our menu of choices. On a total airfare cost of \$4,500 for our London trip, the least expensive plan Total Travel offered was \$168, compared with the lowest-priced "cancel for any reason" plan at \$362.