

TRAVEL INSURANCE SAFETY CHECK

When shopping for travel insurance, perform a safety-check. Assess the safety of a policy's terms and conditions based on the checklist below. Otherwise, certain policy clauses could defeat a claim leaving your own assets at risk.

 **Passed Inspection**
 **Requires Attention**

Circle the appropriate Result

DOES YOUR POLICY CONTAIN THE FOLLOWING?:	RESULT:	COMMENTS:
<p>Misrepresentation/Non-Disclosure Clause (“One Strike and You’re Out Clause”) In the event of an inadvertent inaccuracy (erroneous answer) on the medical questionnaire), does the policy contain a clause whereby the insurer may VOID the entire policy even if the misanswered question may be unrelated to the medical claim incurred on the trip?</p>	 	<p>This is by far one of the most punitive clauses in a travel policy. Unless the policy has a “Compassion Clause” providing eligible insured with a maximum penalty cap due to an inadvertent error, move on Why leave thousands or perhaps hundreds of thousands of dollars of your assets at risk?</p>
<p>Change of Health condition. (“Open Barn Door Clause”) Insurer requires notification should health change between application and departure (effective) date.</p>	 	<p>How can you make advanced travel plans with a high degree of certainty if you can’t count on your policy covering you on departure? Once changes are reported, Most Insurers may cancel the policy, revise premium and/or not cover unstable conditions. A preferred Policy would not contain a change of health clause.</p>
<p>“Stability Period” re: Pre-Existing Conditions. Does the policy exclude conditions under “treatment” even if stability has been achieved?</p>	 	<p>The stability period required for coverage of pre-existing conditions may be based on your age or risk category. Check the policy for required number of days. The shorter the timeframe, the better.</p>
<p>Optional “Lock-in Good Health” Rider At Time of Application: Travel insurance programs base their stability period on date of departure, and not when you first purchase coverage. Travel plans are often booked months in advance so if medical problems relating to your pre-existing condition(s) occur between the purchase date and your trip your policy may not be valid and you could be forced to: -Modify your existing policy at a much higher rate; -Cancel your trip if unable to obtain proper coverage; or -Worse, have your claim denied!</p>	 	<p>Why worry about your stability every time you travel? Adding the “Lock-In Good Health” rider will provide peace of mind especially for the multi-trip traveler Lock-in your rate and medical insurability at the time of application if your pre-existing condition is STABLE at time of application.</p>
<p>Optional Stability Rider Typically, travel insurance will not cover unstable pre-existing conditions, which could include a new diagnosis, change of medication type or dosage, a worsening condition</p>	 	<p>If you have a current unstable condition, what are your options? Stay home or risk travelling with no coverage. Most insurers will typically exclude coverage for unstable health conditions. Consider a policy, which offers an optional rider covering unstable conditions. Particularly valuable for annual multi-trip plans where conditions are covered for the year.</p>

TRAVEL INSURANCE SAFETY CHECK (CONT'D)



Passed Inspection



Requires Attention

Circle the appropriate Result

DOES YOUR POLICY CONTAIN THE FOLLOWING?:

RESULT:

COMMENTS:

Insurer Termination Clause: “Terminator Clause”

Provides your insurer with the **unilateral** right to cancel your contract without cause or otherwise. Terminator clause can be triggered if you refuse their request to return you to your home province or transfer to their preferred medical facility.



A more favourable clause would provide a modification of coverage rather than outright cancellation of the policy- It's preferable that your choice of hospital, physicians not be restricted. This also reduces the possibility for insurer's conflict of interest whereby the insurer's economic benefit may otherwise take precedence over your best interests in pursuing optimum continuing medical care.

Mandatory Arbitration Clause: “Thou Shalt Not Sue Us Clause”

There is a new trend whereby certain policy contracts now mandate that disputes must be submitted to an arbitrator. Furthermore the decision of the arbitrator is final and may not be appealed to any court.



Why restrict your options in pursuing your right to coverage? Opt for a policy without such restrictions.

“Doctor Clause Declaration” states that you have consulted your doctor for any issues requiring medical clarity when answering the questionnaire.



Although your doctor is your best reference for medical information and care, he/she may not understand your travel insurance policy and limitations. A policy without an explicit Doctor Clause Declaration is preferable

“Treatment” Definition. Does your Policy define “Diagnostic/Investigative testing” as treatment?



A more favourable wording would include a provision re: Diagnostic/Investigative testing as treatment whereby **ONLY** those adverse findings or worsening of the condition would negatively impact your stability for a pre-existing condition?

Extensive List of Exclusions. Activities Considered high risk/hazardous by Insurer.



Check policy list to ensure the policy purchased covers activities in which you may engage. The fewer the limitations in a policy, the better. Or the policy provides the option to purchase a special coverage rider.

“Failure To Call” Assistance Company in a timely manner.



Although it's highly recommended you do call the telephone number of the Assistance company, a policy without this penalty clause is preferable. Also a policy, which permits you the flexibility to opt the doctor/hospital, of your choice providing you with greater control of where you may receive optimal medical treatment.

Lapsed Government Health Insurance Plan (GHIP) invalidates most travel insurance plans



Consider a plan that provides for reduced coverage amount instead of zero.