

With insurance, travel with a safety net: Experts

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The number of Indian travellers and the number of journeys embarked upon — both in and outside India — are increasing. And with that, so is the need for travel insurance.

But in a country where even life and health insurance have low penetration, how popular and important is travel insurance?

"Indians, across all age groups, are travelling more than they have ever been before to diverse locations throughout the world. Travel insurance covers one against the unforeseen medical and trip related contingencies, which is like a safety net, especially needed when you are in unfamiliar surroundings.

"People are recognising the need for travel insurance, though there is a large section of population, where the penetration is yet to happen," said Sanjay Datta, chief, Underwriting, Claims and Reinsurance, ICICI Lombard General Insurance, offering a glimpse into the world of travel insurance.

But in these days of uncertainty, travel insurance is indispensable as it offers protection in case of any emergency, unwarranted situation or travel related risks like loss of baggage, delayed baggage, loss of passport, thefts,

flight delays, cancellations and others. Even emergency medical transportation is covered with travel insurance.

"Awareness about travel insurance is not much and there are instances where people have suffered major setbacks when they had to pay a huge medical bill whilst abroad. Travel agencies offer travel insurance as part of a bouquet of services but still there is a long way to go.

"People should never look at premium as a cost — it is a necessity like food and clothing. Being caught unawares without insurance in a foreign land can cost a person very dearly. It is not just about health, but a personal liability can squeeze every penny out of one's pocket. For example one may accidentally hit baggage trolley against a third person and cause injury. The person can sue under the local laws and gain

hefty compensation," explains S Prakash, COO, Star Health and Allied Insurance.

Of late, the travel insurance companies are offering a variety of features like coverage for unanticipated events such as personal accidents during adventurous sport, expenses in cases such as delay of checked luggage, trip curtailment or hotel stay extension, annual coverage for students and others — that too at an affordable price.

"The cost for travel insurance is very nominal and may cost an individual anywhere between ₹500 to 2000 for a seven day cover."

"There are different plans and coverage available and the customer can opt as per needs and specifications," stresses TA Ramalingam, Sr President, Channels, Bajaj Allianz General Insurance.



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PICK THE RIGHT INSURANCE PLAN

According to industry analysts, these precautions are to be followed while selecting a travel insurance

- 1 Have a clear plan about the travel including the number of days and places to select a policy which best suits the trip
- 2 Focus on adequate coverage
- 3 Check the claim settlement ratio of insurance company
- 4 Have knowledge about claims procedure and save the contact numbers of the TPA in the country where the insured is travelling
- 5 Get insured from a company that offers a product which is designed to suit all needs of traveller
- 6 If there are specific guidelines for the country one is travelling to, one must ensure that the insurance plan in consideration covers those guidelines
- 7 Cover all the members of family