



MEDIA RELEASE

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The truth behind ‘complimentary’ travel insurance

SureSave outlines the common misconceptions regarding travel insurance provided to customers on a ‘complimentary’ basis via products such as credit cards. A recent Department of Foreign Affairs and Trade (DFAT) survey reveals that 20% of travellers in 2016 took advantage of ‘free’ credit card travel insurance.* SureSave emphasises that, with travel insurance increasingly available from a variety of different providers, it’s never been more important for travellers to be well informed by their travel agents.

Talbot Henry, National Sales Director, at SureSave says,

“One third of all travellers purchase their cover from travel agencies. Agents play a critical role when it comes to travel safety, ensuring that their customers are not left under-insured, paying too much or missing out on key benefits.”

“At SureSave, we believe that a large number of travellers are missing out on adequate cover when purchasing through alternative insurance providers. DFAT research estimates that only 42% of travellers were properly insured in the last 12 months.* The benefits of taking out travel insurance through a professional travel agent should not be overlooked.”

Talbot lists several challenges with ‘complimentary’ travel insurance:

Activation

Generally, travel insurance policies available via credit cards require customers to first ‘activate’ their cover; if customers assume cover is automatic, they may later find that they have limited or no cover. The criteria required for activation can vary between different providers, however in most cases a certain amount of the customer’s trip must be pre-paid on their credit card, although there can be other criteria, too.

Age Restrictions

Often, credit card insurance policies have age restrictions that are not always stated up front. Travellers should be aware that just because their credit card offers ‘complimentary’ travel insurance, this does not mean they are automatically covered.

Existing medical condition(s)

It’s important to check whether a policy covers a traveller’s existing medical condition(s) – and what restrictions apply. Assuming that ‘complimentary’ travel insurance means full cover can leave travellers out of pocket when they need to claim. Travellers should check what conditions are automatically covered, and whether they can apply for cover for other conditions.

Paying extra in credit card surcharges

While travel insurance offered with credit cards may not incur any up-front cost, customers should be aware of additional fees they may incur when activating their policy. For example, a \$10,000 overseas holiday that is paid for on a credit card instead of an alternative payment method, can incur approximately \$200 in surcharges to activate a ‘complimentary’ policy, which may or may not provide adequate cover. These surcharges can be overlooked at the



time of purchase, meaning that they can go unnoticed until a customer looks at their statement. Of course, this is on top of the annual card membership fees that enable the insurance.

Excess Payments

It is important that customers check what excess payments are required when claiming on a credit card policy. A high excess amount with no buyout option can significantly increase the overall cost of travel insurance. Travel insurance specialists often allow travellers to choose their own excess amount to best suit their needs.

Flexibility

Travel insurance is not 'one size fits all', but most 'complimentary' credit card travel insurance assume that travellers are. SureSave encourages travellers to find cover that meets their needs, and activities, with the ability to tailor their policy to suit their trip. For example, travellers wishing to participate in winter sports and water sports should check that their travel insurance covers these activities.

Emergency assistance and help when claiming

When considering 'complimentary' credit card travel insurance, travellers should consider the quality of assistance they will receive. Should they need help during their trip, not only will they require 24/7 access to assistance, they will require a travel insurance specialist who is equipped with the necessary resources and experience to get them home safely. Similarly, when it comes to claiming, travel agents are equipped to help customers prepare and lodge claims for travel insurance purchased through their agency.

Henry concludes, "We aim to lead the market in the agency channel, and so it's our job to empower and share our knowledge with our entire network."

To access SureSave's Travel Insurance Checklist, visit the following [link](#).

For more information on SureSave, visit suresave.com.au.

[*Department of Foreign Affairs and Trade: Survey of Australians' Travel Insurance Behaviour](#)

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Notes to Editors:

SureSave is a leading travel insurance provider that offers 'help that's designed for travellers'. SureSave provides World Assistance through its agent support team, claims and in-house 24/7 Emergency Assistance operation, 'WE Assist'.

SureSave covers more than 300,000 travellers each year in Australia, is Australian owned and is a coverholder at Lloyd's.



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