# Travel Insurance

**RATIONALE:**

Trip insurance can be purchased to help reduce financial risk associated with booking travel.

If you believe your travel has a high risk of being cancelled, best practice would include booking refundable travel. If refundable travel cannot be booked, trip insurance can help to reduce the financial risk, should travel plans be cancelled.

**Trip Cancellation Insurance** can help to reimburse for pre-paid, non-refundable travel expenses, including airline and hotel, should a trip become cancelled prior to the start date for an unexpected, covered reason.

**Trip Interruption Insurance** can help to reimburse for expenses for a lost portion of a trip, that you departed for and had to return home early for an unexpected, covered reason.

**Cancellation & Interruption for Any Reason Insurance** (CFAR/IFAR) helps to protect travelers if a trip becomes cancelled or interrupted for any reason.

Trip insurance can be geared toward group travel, individual travel, or both. Common information needed for quotes, to purchase trip insurance include: travelers name, age, gender, destination, state of residence, trip dates, trip costs, deposit amounts and due dates.

Typically, **Trip Cancellation Insurance and Trip Interruption Insurance have limitations. But, if the trip is cancelled for an allowable reason, you will typically get reimbursed the entire cost of a non-refundable trip that has been paid. CFAR/IFAR typically reimburses at 75% of the total non-refundable cost and can be an additional purchase for a reason that is not listed in trip cancellation or trip interruption policies.**

Examples of when trip insurance might be considered:
- When traveling abroad and deposits are required to secure booking
• When traveling domestically and airfare and hotel bookings are non-refundable or don’t allow for a flexible cancellation period and you have concern about the trip being cancelled
• When the trip is expensive and you have any concern it could be cancelled or interrupted

There are many reputable companies for travel insurance, but it is the responsibility of the traveler to research what they are needing to have insured and understand the plan they are purchasing to know what is truly covered and what is not, to ensure the purchased plan covers their needs.

PROCEDURES:

Prior to purchasing trip insurance, individuals must complete research to find a policy that is a good fit for their needs.

Trip insurance is allowable per IU Travel Policy, if it is compliant with IU’s accountable plan. Requirements under the accountable plan include having a business connection and substantiating the expense within 120 days or less. Please see the attached link for more information on IU accountable plan guidelines. https://policies.iu.edu/policies/fin-acc-620-reimbursement-under-accountable-plan/index.html

**Please note, if trip insurance is being purchased when personal time is included in the travel, due to the accountable plan, this will require strict review and a substantiated business purpose for the purchase. Please remember, best practice would include booking refundable airfare and lodging.

Prior to purchasing trip insurance, it is critical to know the following:

• What the policy covers and what the policy does not cover
• Airline and hotel cancellation and refund policy
• Programs cancellation and refund policies
• Deposit terms and when they are due
• Housing contracts
• Total trip costs

Trip insurance ranges in cost. To fully understand the potential to be lost will help you to decide if trip insurance would be a beneficial expense.

To obtain a quote for trip insurance, visit a trip insurance company’s website. Frequently utilized trip insurance companies include Gallagher Travel, Cultural Insurance Services International (CISI), and Travel Insurance Select.

Most travel insurance companies have a link on the home that states, “get a quote today.” Have ready the following information: your state of residence, destination, departure and return dates of travel, deposit and final payment dates, cost of trip, names of travelers, and date of birth.

The quote should be attached to your trip authorization report via the “other” expense tile. Please note: Your trip insurance expense has not been approved, until, you have an approved trip authorization that includes the trip insurance quote. Due to this, please do not purchase any trip insurance until it has been approved by your department.

Best practices for booking travel insurance:
- Only purchase travel for air, car, and hotel that can be cancelled when you have reason to believe that your trip might be cancelled or interrupted. This helps to eliminate the need for travel insurance.
- Only book travel through designated travel agencies or preferred suppliers. Examples include:
  - Booking through Egencia (Frequently, credits are gained if bookings are cancelled. You will need to read each booking terms and conditions to know what is an allowable reason that would receive a refund or credit if the trip is cancelled.)
  - Booking through a DTA (find link below)
  - Booking through Enterprise (find link below)

**DEFINITIONS:**

- **Trip Cancellation Insurance** can help to reimburse for pre-paid, non-refundable travel expenses, including airline and hotel, should a trip become cancelled prior to the start date for an unexpected, covered reason.

- **Trip Interruption Insurance** can help to reimburse for expenses for a lost portion of trip, that you departed for and had to return home early for an unexpected, covered reason.

- **Cancellation & Interruption for Any Reason Insurance** (CFAR/IFAR) helps to protect travelers in the event the trip becomes cancelled or interrupted for any reason.

**CROSS REFERENCE:**

- [https://inlocc.iu.edu/TripInsurance.cfm](https://inlocc.iu.edu/TripInsurance.cfm)
- [https://www.culturalinsurance.com/](https://www.culturalinsurance.com/)
- [https://select.travelinsure.com/](https://select.travelinsure.com/)
- [https://travel.iu.edu/traveling/desigtravelagen.shtml](https://travel.iu.edu/traveling/desigtravelagen.shtml)
- [https://travel.iu.edu/discounts/rentalcar/cardiscounts.shtml](https://travel.iu.edu/discounts/rentalcar/cardiscounts.shtml)
- [https://www.travelinsured.com/](https://www.travelinsured.com/)