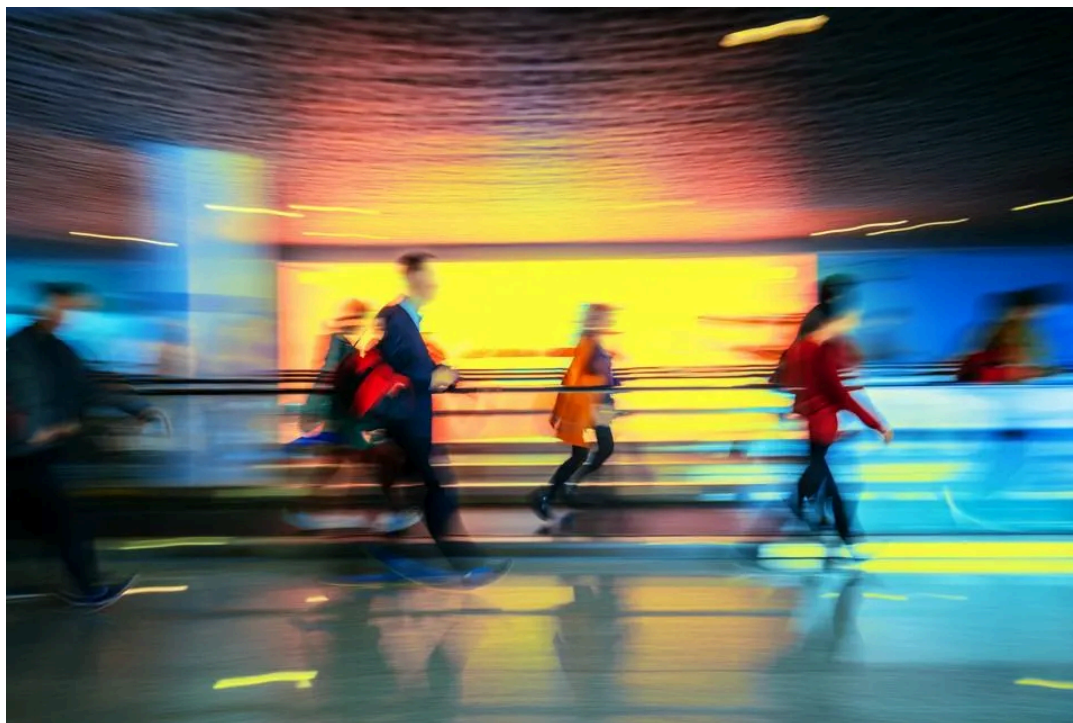


Is Travel Insurance Refundable? Here's Everything You Need To Know

Christopher Elliott Senior Contributor 

I'm a consumer advocate. I write about customer service.

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Sometimes, travel insurance is refundable. Here's when you can get your money back. GETTY

Peter Hoagland always checks to see if his travel insurance is refundable. That's because anything can happen between the time you book your vacation and when you leave — and because travel insurance isn't always refundable.

During the pandemic, he discovered that the hard way. He had to cancel a trip and asked for his money back from the insurance company. It refused.

"Since then, I always read the fine print on the policy," he says.

The refundability of travel insurance has always been an open question. Some countries and U.S. states regulate refundability. Travel insurance companies put refundability details in the fine print of the policy. And, as Hoagland found out, there are always exceptions.

Like the pandemic, when refund policies were all over the map. Some insurance companies adhered to their published policies. Others offered a credit that could be reused within a year, which was minimally useful because the pandemic was *still* happening a year later. Others quietly gave their customers a refund.

Hoagland says he fought for his money. Eventually, he contacted a manager at his travel insurance company.

"That produced a quick result," he says. "I got my money back."

But let's face it: Getting a refund for travel insurance can be difficult. There are times when insurance is always refundable because it's required by law. There are times when it's sometimes refundable. And there are times when it's almost never refundable. But even then, there may be a way to recover some — or all — of the value of your policy.

Getting a refund for travel insurance can be a challenge

If you have a travel insurance policy and would like to get a refund, it might be easier said than done, say experts.

"While travel insurance is regulated like auto and home insurance, it's often less standardized," says Stuart Winchester, CEO of [Marble](#), a digital wallet for your insurance. "So first off, it's important to check the fine print of your specific policy. Don't assume it's like the last one you got."

Even when you have something in writing, a refund can require some serious negotiating skills.

"Getting a refund for travel insurance can be complicated and frustrating," says Peter Hamdy, the managing director of [a tour operator](#) in Auckland, New Zealand. He's asked for a refund on policies numerous times and says

that despite what travel insurance companies may tell you, there are no hard-and-fast rules when it comes to getting a refund on your policy.

"Some situations can warrant a refund," he says. "It depends on your policy."

What does a typical refundability clause look like? For example, the World Explorer Guardian from [Insured Nomads](#) notes that it's refundable only during the 10-day review period from the date of delivery or 15 days from the date of delivery if mailed, provided you have not already departed on your trip and you have not incurred any claimable losses during that time. If you depart on your trip before the expiration of the review period, the review period ends and the policy can't be refunded.

"We go a bit further with our World Explorer Travel Medical plans," notes Andrew Jernigan, CEO of Insured Nomads. "If no claims have been filed then we can refund the unused portion of the policy if you cut your trip short."

When can you get a refund for travel insurance?

Here are the most common cases where travel insurance can be refunded:

- **If you cancel during the "free look" period required by the government.** Most states require what's called a "free look" period of anywhere from 10 to 14 days. "During this period, travelers can review the purchase and make sure it fits their needs," explains James Nuttall, general manager of [Insubuy](#). "If it does not, they can cancel it for any reason and get a full refund, no questions asked, so long as you haven't departed yet.
- **If you cancel during the travel insurance company grace period.** Many insurance companies also have a grace period for refunds (usually, they are the same as the "free look" although some grace periods can be longer). "If you're outside your grace period, which typically lasts one to two weeks after signing, you're contractually obliged to pay your premiums," says David Ciccarelli, CEO of the vacation rental site [Lake](#). "Still, it doesn't hurt to ask

your company for a refund or alternative options if you're outside your grace window. You might not get a yes, but it could lead to some cost savings or better solutions."

- **When someone else cancels your trip.** "For instance, if your cruise is canceled due to low river tide, you are not at fault and would typically receive a full refund or credit for a future sailing, thus eliminating the need for the travel insurance policy," explains Rhonda Abedsalam vice president of travel insurance for AXA Assistance US.
- **If you die.** Typically, the policy would be refunded to your next of kin. Generally, you can also ask for a refund if your travel companion dies before your trip.

Remember, it depends on where you buy your insurance

The refundability of your insurance can depend on where you purchased it. Commercial policies bought from a cruise or tour company are generally canceled and refunded if you cancel the trip far enough in advance of your departure date.

"The travel insurance cancellation provisions are generally tied to the cancellation provisions for the cruise or tour," explains Dan Skilken, president of [TripInsurance.com](https://www.tripinsurance.com). "After you have paid the last deposits on the cruise and are close enough to departure that they will not provide a refund on the cruise, they generally will also not provide a refund on the travel insurance. But if you cancel early enough to get all or most of your deposit back, you will also get your travel insurance premium refunded."

If you've purchased retail travel insurance from a third-party provider or comparison website, you can often get a refund if you can show receipts proving that you received a full refund of all trip deposits and have not had any cancellation penalties or taken any travel credits when you canceled your trip.

That's because retail travel insurance is sold for a specific traveler and for a specific trip. If you have proof of a complete refund and have not received

travel credits, then you no longer have what's called an "insurable interest" in the trip. The insurance company must cancel and refund your premium in full, says Skilken.

Insider tip: If the insurance company refuses, just tell them you have proof that you no longer have an insurable interest in the trip. You have to have an insurable interest in a trip to own a travel insurance policy.

Your agent may be able to help you get a refund

You may also be able to lean on the agent who sold you the policy. For example, all policies on [Squaremouth](#) come with a money-back guarantee.

"The purpose of this benefit is to give travelers extra time to review their policy documentation to be sure it's the best policy for their coverage needs," says spokeswoman Jenna Hummer. At Squaremouth, the money-back period typically lasts between 10 and 14 days, which is in line with the mandated "free look" period.

However, I have also seen agents negotiate with travel insurance companies for a more generous refund period in case of extenuating circumstances. There's no guarantee that you'll get it, but it's worth asking — and one reason to work with a third party.

Agents can also help you avoid this problem. Susan Sherren, who runs [Couture Trips](#), a travel agency, notes that American Airlines Vacation Packages offers a predeparture protection insurance plan, which allows cancellation for any reason before the outbound departing flight time. Other restrictions apply, she adds.

"More flexibility will often cost you more," she says. "But having the flexibility is a great way to sleep well at night."

Can't get a refund? Look for other kinds of flexibility from your travel insurance company

Even if your travel insurance company says no to a refund, it doesn't necessarily mean you've lost the value of your policy.

"If a travel supplier changes or cancels your trip, you should be able to change your travel insurance policy to match the new dates of your trip or even cover a new trip, sometimes up to two years into the future," says Daniel Durazo, director of external communications at [Allianz Partners USA](#).

Pro tip: Be sure to change the dates of your travel insurance policy before the departure date of your current itinerary. You can do that online or by calling your agent. Once the policy's effective date has passed, making any changes or initiating a refund or credit becomes much more difficult.

Don't forget to do your due diligence

Bottom line: Travel insurance is refundable under certain circumstances. But knowing when can require research.

"It's important for consumers to carefully read their policy upon receipt to understand the specific terms offered by their insurance provider," says Robert Gallagher, president of the US Travel Insurance Association.

The more you know, the likelier you are to get the refund you want when your plans change.



Christopher Elliott

[Christopher Elliott](#) is the founder of [Elliott Advocacy](#), a 501(c)(3) nonprofit organization that empowers consumers to solve their problems and... **Read More**
