

Safe Travels,

Don't Bank on It

How travel insurance provided by leading banks could be misleading over 50s, leaving them exposed and without cover.



A Report by Staysure: the UK's leading provider of specialist travel insurance.



Introduction

Estimates show that an incredible 3.3 million¹ British holidaymakers over the age of 50 are unknowingly travelling without adequate travel insurance each year and putting their entire life savings at risk at the same time.

One in four Brits relies on travel insurance cover provided by banks, which is offered as an incentive to open an account with the provider and often does not cover older travellers with pre-existing medical conditions - a small print factor often missed by consumers.

Brits do not **knowingly** travel uninsured; they **think** they are covered thanks to a combination of full trust in travel insurance policies offered by banks and a lack of widespread knowledge of what they need to declare in order to be fully covered.

Banks are not travel insurance specialists, so when it comes to asking customers to provide basic information about their health, which will tailor the policy they need to ensure they are covered, the onus is put on the customer to disclose medical conditions.

Staysure's new *Don't Bank on It* report uncovers the true risks of underinsurance and just how many over-50s are misguided in their faith in the levels of protection they currently have.

¹ Calculated using data from ABTA

(https://www.abta.com/sites/default/files/news-article/document/Travel_Law_Today_May_2018.pdf) and YouGov Profiles



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Executive Summary

This first-of-its-kind travel insurance report was commissioned by Staysure, the UK's leading over 50s travel insurance provider and has been designed to examine the serious pitfalls and hidden conditions of travel insurance policies provided by banks as a package when taking out a current account.

The unique research findings draw attention to the terrifying fact that consumers are opting for travel insurance policies offered by trusted banks; without realising that in many cases, it means that they are not properly covered.



Research within the Don't Bank on It Report has uncovered that **one in four people** solely rely on banks' package insurance deals as their primary source of cover when they travel abroad.

This fact has proven costly, as we uncover that **9% more people using banking insurance have claimed and been rejected vs. those claiming through specialist travel insurance.**

With a recent report by Public Health England² into life expectancy highlighting an increasingly ageing population

who, according to recent figures released by Staysure, are proving far more adventurous than their predecessors; further emphasising the importance of purchasing adequate cover before embarking on trips abroad.

Age limits imposed by insurance policies provided by banks are increasingly lowering, even though life expectancy is on the rise, leaving a growing number of the British public at risk of underinsurance.

It goes without saying that anyone who purchases travel insurance should be completely transparent with their medical history. Without specifically revealing any pre-existing medical conditions to insurers, holidaymakers are unknowingly putting themselves at risk of not being fully covered.

Travel insurance is not a 'one size fits all' product. Consumers need to be open and honest about their personal circumstances when purchasing policies to ensure cover is tailored to individual needs, in case they find themselves without cover should the worst happen.

² <https://www.gov.uk/government/publications/health-profile-for-england-2018/chapter-1-population-change-and-trends-in-life-expectancy>



Living longer, in Poorer Health

A September 2018 report by Public Health England into life expectancy, health and mortality has found that while Brits are living longer, more people are impaired by long-term conditions in later life.

According to the report, the number of people aged 85 years or older has more than tripled since the 1970s, and will include more than two million people by 2031.

The range of ailments is broad and far-reaching. For example, more than a third of the UK population aged 50 and above suffers from arthritis³ related pain and more than three quarters are living with hypertension⁴.

Adults aged 50+ account for 89% of all new cancer cases⁵, and by the age of 75, one in five women and one in six men will have had a stroke⁶.

Additionally, women aged 65 and over make up nearly two thirds of deaths from asthma⁷.

Despite the gloomy prognosis, data suggests that older people are in fact more adventurous than ever before, with Staysure statistics measuring a **26% increase in winter sport policies for the over 50s market over the last five years.**

Research carried out by the over 50s travel insurance experts found there has been a **57% rise in purchase of luxury travel policies⁸ over the last five years**, a specialism that has come under scrutiny of late. Luxury travel tends not to be covered by standard policies, which could leave many uninformed travellers at risk of **losing thousands of pounds.**

The growing market for comprehensive travel insurance that

is tailored to the needs of an older, but adventurous demographic of society is apparent. But, despite the significant risks of falling ill when travelling, Staysure's research has shown that many travellers are not taking the necessary precautions to protect themselves against the potentially momentous financial burden of needing emergency healthcare overseas.

The average medical bill claimed through Staysure in 2017 was

£1,650.40



With the highest coming in at

£159,000

to cover an air ambulance repatriation to the UK after a customer fell into a coma following a head injury while in the USA.

³ <http://www.medic8.com/healthguide/arthritis/arthritis-facts-and-figures.html>

⁴ <http://www.bloodpressureuk.org/mediacentre/Newsreleases/Systoliconly>

⁵ <http://www.cancerresearchuk.org/health-professional/cancer-statistics/incidence/age#heading-Zero>

⁶ https://www.stroke.org.uk/sites/default/files/stroke_statistics_2015.pdf

⁷ <http://www.dailymail.co.uk/news/article-3689173/Asthma-deaths-reach-highest-level-10-years-Two-thirds-victims-women-aged-65.html#ixzz5AwukeXGH>

⁸ 'Luxury' travel refers to any holiday which requires cancellation cover of £10k+ per person. Data provided by Staysure



Nothing to Declare

According to the Staysure survey, **one in four people** rely solely on travel insurance provided by their bank which they received as an incentive. Of these, **three quarters** did so because it was free.



The Staysure data also revealed that **70%** of people have never claimed on their insurance. Bearing that in mind, it becomes more apparent why people are willing to take such a significant risk to both their health and their bank balance.

For the **30%** of people that **have** claimed on their travel insurance, the importance of comprehensive cover appropriate to their needs becomes much more significant. The support that a comprehensive travel insurance policy can offer goes beyond just the financial assistance.



CASE STUDY



Alan Wilson, a Staysure customer who found himself in hospital on the first night of a trip to Gran Canaria with his wife Janette said:

"We are both strong characters, but we were left in the dark for many days in terms of what was happening and what was going to happen, which in both of our situations was a very emotional and I have to say, a very scary experience."

"Staysure informed us as soon as they could that our situation was one that fulfilled the criteria of assistance and repatriation. The Staysure paramedic was, to us, heaven sent. His professionalism and, clearly that of the supporting team, to get us home and onward transfer to our local hospital removed much of our stress because here we had a network of people on our side doing their level best to attend to our needs after we had felt so alone in a different country trying to make the right decisions on a daily basis."

Q

So, what's wrong with the travel insurance packages offered by banks?
Surely, it's better than having none at all...

A

This is only true if you're covered. And if you're over 75, have pre-existing medical conditions, or plan to partake in activities such as skiing, cruising or water sports, you may find that your **bank's policy leaves you exempt from cover - equivalent to having nothing at all.**

Q

What are the chances of not being covered?

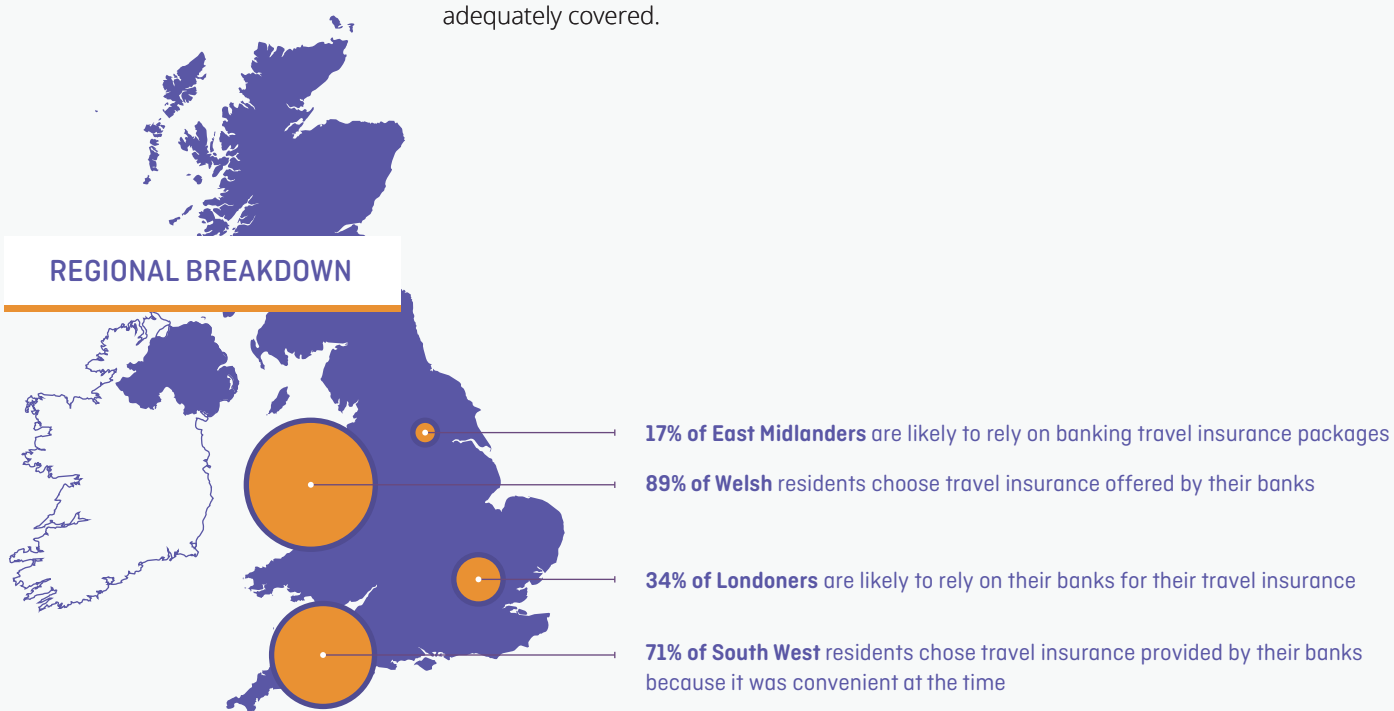
A

Staysure's survey revealed a misguided level of confidence from customers using travel insurance offered by their bank. While more people who are covered by banks were confident that their provider would pay out in a claim situation than those with specialist cover, **in reality 9% more people using banking insurance have claimed and been rejected vs. those claiming through specialist travel insurance.**

Most of the people not covered assumed that they were, but in many cases, a lack of clarity around the policy details means that people are exposing themselves to an increased risk. A **staggering 75% of the adults surveyed admitted to not reading T&Cs thoroughly**, and almost **20% would consider not declaring past medical conditions** with their travel insurer before travelling. This number rises to **34%** of people if we focus on those with banking travel insurance cover.

The shocking findings in the Don't Bank on It Report uncovered that most major banks have a **maximum age-limit on their package travel insurance deals**, so customers should always check their T&Cs to ensure they are adequately covered.

REGIONAL BREAKDOWN



Specialist Travel Insurance for Peace of Mind

According to the ABI, in 2016/17 13% of insurance claims were turned down⁹. By choosing a specialist travel insurer, with policies tailored to customers specific circumstances, travellers can feel more confident that their claims will be approved.

In 2018, Staysure settled 90% of claims, equating to pay-outs totalling in excess of £25 million¹⁰.



Who is Specialist Travel Insurance aimed at?



Individuals that choose to take out specialist travel insurance vary, from those with a very unusual or complex set of circumstances who may have struggled to get travel insurance elsewhere, to those that appreciate the significant financial burden that can result from an unsuccessful claim through an inadequate policy and want the extra peace of mind that they are covered

Staysure's Claims Services successfully dealt with in excess of 24,000 claims in 2018. This equates to 66 claims per day or 2.8 claims per hour. The value of these claims totalled over £25 million¹¹.

MOST CLAIMED FOR CONDITIONS (STAYSURE):

1	Abdominal – Gastro	Diarrhea, gastroenteritis, etc.	
2	Breathing – Respiratory	Chest infections, exacerbation of asthma and or COPD, pneumonia	
3	Urinary – Kidney	Bladder disorder, urinary tract infection, cystitis, kidney disorders	
4	Fracture – Trauma	Broken bones, trauma to the ribs, knock to the head	
5	Skin Disorders	Sun burn, allergies, dermatitis, insect bites	

⁹ Data supplied by <https://www.abi.org.uk/data-and-resources/industry-data/claims-acceptance-rates/>

¹⁰ Data supplied by Staysure underwriter ERV

¹¹ Data supplied by Staysure underwriter ERV

CASE STUDY



Farmer Family

Melissa and Steve Farmer had organised a dream family holiday to Norway to celebrate their 25th wedding anniversary, but just before they were due to leave, their daughter suddenly fell ill and the holiday had to be cancelled.

Thanks to Staysure, they were able to claim back the cost of their initial booking, and use the money to organise a five-day break to see the Northern Lights once their daughter was well again.

Melissa was so impressed with Staysure's speedy settlement that she wrote a letter to say thank you: *"We all had the most amazing time and made such precious memories,"* she said. *"We even watched the Northern Lights for over an hour, which was the most wonderful, awe-inspiring event. Along with snowmobiling, reindeer rides and dog-sledding, it truly was one of the best holidays ever!"*

"Our daughter is now at university," Melissa added, *"So, if we hadn't gone then, the opportunity would definitely have been missed."*

Steps You Should Take to Ensure You Are Covered

As the Don't Bank on It report outlines, there are steps that consumers should always be aware of when putting their trust in the hands of insurers. Following these five steps will give travellers who are over 50 the confidence that their cover will provide peace of mind, in the case of an emergency.

1

Read the small print: As much as it may feel like a dull job, it is well worth knowing what you are and are not covered for. For example, trip limits also apply to most banking policies, so if you're planning on an extended excursion, you must also be aware of the time constraints placed on the policy.



2

Let your insurer know of any specialist activities you will be undertaking on your trip, as some may require additional cover which is not included on a standard policy.



3

Declare any and all medical conditions to your insurer. Even if they haven't asked you to. With some travel insurance policies offered by banks, the onus is on the customer to proactively declare, rather than the provider to ask, so you still could find yourself not covered if you do not mention any conditions you are already aware of. It goes without saying you should not intentionally omit or hide any conditions from your insurer or your policy may not be valid. Specialist providers will ask a customer to provide medical history to make sure the level of cover is tailored to their needs, unlike most bank policies.



4

Travel insurance policies which are offered by your bank can have limitations. Increasingly, we are seeing banks lowering the age-limit on their travel insurance policies and with life-expectancy rising, it is pivotal that you are aware of the upper age-limit your cover provides.



5

Do not be afraid to ask your insurance provider difficult questions. They should be willing and able to adapt a policy to your personal needs and concerns – such as, including cover in the case of terrorism or airline bankruptcy – to ensure you have complete peace of mind while you travel.



CASE STUDY



Jenkins Family

Mr and Mrs Jenkins found themselves in an unexpected and scary situation during a two-week trip to Italy, when, on their penultimate day of the trip, Mr Jenkins was suddenly rushed into hospital with a brain haemorrhage.

The family immediately informed Staysure, who activated their 'Mayday' service to help get them home as quickly and safely as possible. Within a period of three days, Staysure was able to review Mr Jenkins' medical records and confirm that he would be covered by their policy. After over two weeks of recovery, the family were ready to return home. For extra reassurance, Staysure sent out a paramedic to escort them on their journey back to the UK.

Mrs Jenkins commented: *"I would recommend Staysure to friends, family and anyone who requires a first-class insurance company. I think that the way they responded to our emergency was second to none."*

"This was the worst experience of my life and I felt I was in the most capable hands."



Conclusion

Travel insurance is a necessity when looking to go away on holiday to protect against costly medical bills, which could be avoided when the appropriate cover is purchased and in place.

With an ageing population, Staysure is committed to providing the highest level of cover to enable and support travellers who are over 50 with travel plans in almost any circumstance, regardless of age.

Specialist travel insurance providers are able to deliver tailored cover, which most banks do not have the knowledge or expertise to provide.

Staysure suggests that anyone travelling should seek guidance from specialist insurance providers to ensure they have appropriate cover that suits their individual needs, leaving them free to enjoy the spoils of travel without the risk of costly fees.

Appendix

ABOUT STAYSURE



Founded in 2004, and first open for business in 2005, Staysure is a trading name of TICORP Limited and is one of the UK's fastest growing insurance brands. Offering a range of highly competitive products and services tailored for people aged over 50.

The company's travel insurance division provides policies covering a wide range of pre-existing conditions and offers medical screening both online at www.staysure.co.uk and over the phone.

Staysure is the largest "direct to consumer" travel insurance provider in the UK and the largest advertiser in the Travel category (Mintel, with an average spend of almost £1M per month).

TICORP Limited operates out of Gibraltar and is licensed and regulated by the Gibraltar Financial Services Commission, sells products and services specifically designed for the UK's over 50s market using 4 UK contact centres in Northampton, Coventry, Swindon and Glasgow, employing over 500 staff.



As measured by Trustpilot, Staysure's customer ratings is at an 'excellent' 9.1 and with over 50,000 reviews, Staysure is officially the most reviewed travel insurance provider.

ASSUMPTIONS

All details were accurate as of December 2018

Travel insurance policies offered by a bank refers to an additional service and not the customer sole purchase of a product, example given – additional product when upgrading bank current account.

SURVEY METHODOLOGY

2000 respondents (1000 aged 18-49; 1000 aged 50-80) OnePoll commissioned survey "Travel Insurance Survey". OnePoll are members of ESOMAR and employ members of the MRS.



Summary of Research

- 1 Where do you traditionally get your travel insurance cover from?
- 2 Why did you choose to source your travel insurance from them?
- 3 Did the provider ask about your individual medical history prior to acquiring the policy?
- 4 Have you ever had to make a claim on your holiday insurance?
- 5 If you have a medical condition, are you confident your travel insurance provider can provide you with adequate cover for them?
- 6 If you had to make a claim in the future, how confident are you that the claim would be successful? (Scale – 1 = Very Unconfident / 5 = Very Confident)
- 7 When you took out your travel insurance policy, how closely did you read the terms and conditions?
- 8 If you were offered travel insurance for free via your bank, why wouldn't you accept it?
- 9 How important is ensuring you have adequate insurance on your list of priorities before travelling?
- 10 Have you ever considered not declaring past medical conditions in order to try and make your travel insurance premium cheaper?
- 11 Do you know what an EHIC card is?
- 12 Would you currently rely on an EHIC card to cover you for trips to Europe and opt out of buying travel
- 13 How confident are you that your travel insurance provider can offer you adequate cover for the following; (Scale – 1 = Very Uncertain / 5 = Very Certain)
- 14 Would you ever consider travelling abroad without specialist comprehensive travel insurance?