You bought travel insurance. You feel covered. But here's the uncomfortable truth: not all travel insurance is created equal, and the policy sitting in your inbox right now might have gaps wide enough to bankrupt you.

This isn't fearmongering — it's arithmetic. A single medical evacuation from Southeast Asia to the United States can cost $50,000 to $100,000. A hospitalization in Japan averages $3,500 per day. If your policy has a $10,000 medical limit and a clause that excludes "adventure activities," you're not insured so much as *slightly cushioned*.

Here are six concrete signs your current travel insurance isn't doing its job.

1. Your Medical Coverage Limit Is Below $100,000

This is the most common mistake travelers make: buying the cheapest policy and assuming the coverage is adequate because it exists.

In reality, medical limits vary wildly. Budget policies often cap medical coverage at $10,000 to $30,000 — a figure that sounds large until you're airlifted off a mountain in Nepal or spend three nights in a Swiss hospital.

The benchmark: For any international travel, you need a minimum of $100,000 in emergency medical coverage. If you're traveling to countries with high healthcare costs (USA, Japan, Switzerland, Australia), aim for $250,000 or more.

Destination Average Daily Hospital Cost Minimum Recommended Coverage United States $2,500–$5,000 $500,000+ Japan $2,000–$3,500 $250,000+ Switzerland $1,500–$3,000 $250,000+ Thailand $200–$600 $100,000+ Mexico $300–$800 $100,000+ Colombia $150–$400 $100,000+

If your policy falls short of these thresholds, that's your first red flag.

2. Medical Evacuation Isn't Covered — or the Limit Is Tiny

Medical evacuation is arguably more important than standard medical coverage, and most travelers don't think about it until they need it.

If you're seriously injured in a remote area — a motorbike accident in rural Laos, altitude sickness while trekking in Bolivia, a diving emergency off the coast of the Philippines — local facilities may be inadequate. Getting you to a proper hospital, or back home for specialized care, requires a medical evacuation flight. These cost between $15,000 and $200,000 depending on distance and complexity.

Many entry-level policies either exclude medical evacuation entirely or cap it at $10,000–$25,000. Check your policy's evacuation limit specifically. It should be a separate line item, not bundled vaguely under "emergency assistance."

3. Adventure and Sports Activities Are Excluded

Read your policy's exclusions list carefully. You'll probably find a long section about "hazardous activities" — and **Additional info** the definition is often broader than you'd expect.

Depending on the insurer, excluded activities can include:

- Motorcycling (even as a passenger)

- Scuba diving
- Hiking above a certain altitude
- Rock climbing
- Skiing off-piste
- Zip-lining and bungee jumping

If you participate in any of these activities — even casually — and your policy excludes them, you have no coverage for any resulting injuries. This isn't theoretical. Insurers regularly deny claims from travelers who broke a wrist rock climbing or required evacuation after a diving accident.

Check whether your insurer offers an adventure sports rider, or look for policies specifically designed for active travelers. Some insurers include adventure coverage by default; most don't.

4. You're Traveling Long-Term but Your Policy Caps Out at 30 or 60 Days

Standard travel insurance policies are designed for vacations — a week in Cancun, two weeks in Italy. They typically cover trips of 30, 60, or 90 days maximum.

If you're a digital nomad, a long-term traveler, or someone who moves between countries for months at a time, a standard trip policy almost certainly doesn't cover you properly. You may be technically "insured" for the first 30 days and then operating without coverage for the rest of your time abroad.

The solution is a policy specifically designed for continuous or long-term travel. These function more like ongoing subscriptions — you pay monthly, you're covered globally, and there's no expiration tied to a single departure date. This is precisely the model that makes products like SafetyWing's Nomad Insurance so popular among location-independent workers who've researched the best travel insurance for digital nomads.

5. There's No Coverage If You Have to Cancel for Work Reasons

Trip cancellation coverage sounds straightforward — if you can't go, you get reimbursed. But the fine print matters enormously.

Most policies cover cancellation only for a narrow list of "covered reasons": your own illness or injury, a death in the family, a natural disaster at your destination. What they typically don't cover: canceling because a client emergency came up, your remote job ended, or a contract fell through.

For remote workers and freelancers whose schedules are inherently flexible and unpredictable, standard cancellation coverage may be nearly useless. If you travel for work or blend business with leisure travel regularly, look for "cancel for any reason" (CFAR) add-ons, which reimburse 50–75% of prepaid costs regardless of the reason you cancel.

6. Your Home Country Isn't Excluded — but Neither Is It Covered

Here's a subtle but important trap: many international travel insurance policies explicitly exclude your country of citizenship or residence. You're insured globally *except* at home.

This matters more than it seems. If you're a US citizen on a year-long trip who flies home for two weeks over the holidays, you may have zero coverage during that visit. If you're a nomad who maintains a residency address somewhere, that jurisdiction may be considered your "home country" even if you've only spent 10 days there in the past year.

Read your policy's definition of "home country," "country of residence," and any related exclusions carefully. Policies built for nomads typically handle this more gracefully than standard travel insurance.

The Takeaway

Travel insurance is only valuable if it actually covers what goes wrong. Before your next trip, pull up your current policy and check these six things:

1. Medical limit (minimum $100,000, more for expensive countries)
2. Medical evacuation limit (separate, should be $500,000+)
3. Adventure activity exclusions
4. Maximum trip duration
5. Trip cancellation covered reasons
6. Home country exclusions

If your policy fails on two or more of these points, it's worth shopping for something more comprehensive. The premium difference between adequate and inadequate coverage is usually $10–30 per month — a fraction of what a single claim could cost you.

Sources: U.S. Department of State emergency evacuation cost estimates; Cigna Global Health Options pricing data; ITIC (International Travel and Health Insurance Conference) industry benchmarks.

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