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# Need-to-know stuff about trip cancellation insurance and coronavirus



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Trip-cancellation insurance is one of those financial products that makes some sense but seems totally skippable. And then came coronavirus, which is causing people to cancel trips to affected areas like Italy.

Trip cancellation is a lot like travel emergency medical insurance. It sounds great in theory, but making claims is tricky because of exclusions and rules in the fine print. For some help on [deciphering trip-cancellation insurance](#), check out a recent post by budget travel blogger Barry Choi.

Mr. Choi points out that there's a type of travel-interruption insurance called cancel for any reason, or CFAR, but it's expensive and typically covers only 75 per cent of the cost of a cancelled trip. The regular type of trip-interruption coverage applies for circumstances such as unexpected injury or illness, natural disaster, job loss, cancelled flight or a government [travel advisory](#).

But even in these cases, you can't assume you're covered. CBC reports that two companies offering travel-interruption insurance [no longer cover](#) new customers who cancel trips in response to the outbreak of coronavirus. CBC says people with regular trip-cancellation insurance have generally been able to get reimbursed if, after booking travel, the federal government issued a coronavirus-related advisory government to avoid non-essential travel to their destination.

Mr. Choi says he considers travel insurance, including trip interruption, to be a must when traveling. If you're travelling in the months ahead, just make sure that the trip cancellation policy you buy will cover you if your cancellation was related to coronavirus.

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