



Going Abroad in 2024? Don't Forget to Check Your Health Coverage

With the world opening up and travel becoming a significant part of retirement plans, many retirees are eager to explore new destinations. However, before embarking on international adventures, it's crucial to review your medical coverage. Medicare beneficiaries who experience a health emergency outside the U.S. might face unexpected challenges.

Ken Dalecki, a retired Kiplinger editor from Washington, D.C., found this out firsthand during a 2016 trip to Asuncion, Paraguay. At 74, Dalecki had no plans for emergency surgery, but shortly after arriving, he noticed a growing black area in his right eye. Alarmed, he did some online research and realized his retina might be detaching—a condition that required immediate attention. "Otherwise, you could go blind," he recalls.

Dalecki contacted the U.S. embassy, which provided contact information for a local hospital. "That's something anyone traveling abroad should do," he advises. His hotel assisted in arranging the first appointment, and via Skype, Dalecki confirmed that Medicare wouldn't cover emergency care in Paraguay.

Fortunately, Dalecki's story had a happy ending. The surgery was successful, and the cost was relatively low—around \$3,300, significantly less than what he might have paid in the U.S. However, in the States,

Medicare would have reduced his out-of-pocket expenses.

As Dalecki discovered, traditional Medicare generally doesn't cover health care outside the U.S. and its territories. However, Medigap supplemental insurance plans C, D, F, G, M, and N do provide foreign emergency health care coverage. Although plans E, H, I, and J are no longer sold, those who still have these policies continue to benefit from foreign coverage. These Medigap plans cover 80% of medically necessary foreign emergency care costs (after meeting the deductible), with a lifetime limit of \$50,000.

For Medicare Advantage beneficiaries, traveling abroad—or even within the U.S.—can pose additional coverage challenges. Advantage plans typically have limited service networks, and traveling outside your local area might put you out of network, potentially increasing your costs for necessary care.

2024 Trends: Shop for Travel Insurance

Given the evolving landscape of travel and health insurance in 2024, it's wise to consider purchasing travel insurance before you depart. While you can opt

for a stand-alone travel medical policy, a comprehensive travel insurance plan that includes medical coverage may offer better overall value.

"You might purchase the policy for its medical coverage, but end up using it for other benefits," says Carol Mueller, vice president of marketing for Berkshire Hathaway Travel Protection. For instance, a policy with trip cancellation coverage protects you if you need to cancel your trip before departure, while trip interruption coverage helps cover costs if you must return home early.

"Comprehensive policies are more expensive, but they offer broader protection," says Lynne Peters, product director for InsureMyTrip.com. Typically, comprehensive policies cost 6% to 8% of your total travel costs, so be sure to buy enough insurance to cover all your prepaid expenses.

Premiums depend on factors such as your age and the length of your trip. Older travelers might pay higher premiums, up to 10% to 11% of trip costs, notes Mueller.

If you purchase a policy within 10 to 14 days of making your first trip payment, preexisting conditions are usually covered. Be sure to read the fine print, including the limits on medical coverage. Also, look for medical evacuation coverage, which can cover the cost of a specialized flight home or a traveling nurse to accompany you on a commercial flight.

Travel insurance is particularly beneficial for cruises, which often require large upfront payments. Traditional Medicare may cover medically necessary services on board a ship within U.S. territorial waters, but it won't cover services on a ship more than six hours away from a U.S. port.

Medical evacuation coverage can be a lifesaver in certain situations. "Cruises are notorious for disembarking ill passengers at the nearest port," says Daniel Durazo, director of communications for Allianz Global Assistance. "That port may not have adequate medical facilities." An air ambulance to a proper medical facility or back home could cost \$20,000 or more from nearby destinations, and up to 10 times that amount from distant locations like Asia.

As you plan your 2024 travels, ensure that your health coverage is part of the itinerary. With the right precautions, you can explore the world with peace of mind.