Advertiser Disclosure

Which Credit Cards Offer Cellphone Insurance?

By: Matt Alderton
Updated on: Jul 05, 2019

Editorial Note: The content of this article is based on the author's opinions and recommendations alone. It has not been previewed, commissioned or otherwise endorsed by any credit card issuer. This site may be compensated through a credit card issuer partnership.

This article was last updated Jul 05, 2019. Terms and conditions may have changed. For the most accurate information, please consult the issuer website.

For many Americans, a cellphone is more than a device. It's a lifeline. Having it taken away suddenly can therefore feel like losing a limb. Unfortunately, it happens all the time. Someone takes it at the gym. You accidentally drop it on the sidewalk. In an instant, one of your most important possessions is stolen or broken. Luckily, there are some credit cards that can have you covered.

Replacing or repairing a cellphone is expensive. In 2017 alone, smartphone owners collectively broke more than 50 million smartphone screens and spent $3.4 billion replacing them, according to a 2018 study by SquareTrade, an Allstate company that provides extended-warranty protection for personal electronics, including smartphones. And that's just cracked screens. What about water damage? Or even theft?

In this post:

- How cellphone insurance works
- Which credit cards offer cellphone insurance?
- What are your other cellphone insurance options?
- Should you choose a card that offers cellphone insurance?
- Bottom line

Because mobile devices are so essential and so expensive, many credit card issuers have begun offering cellphone insurance as a benefit. As a result, it's easier than ever to cushion the blow when smartphone disasters strike — provided you have the right card in your wallet.

How cellphone insurance works

If you're interested in credit cards with cellphone insurance, there are a few things you should know, says Matt Schulz, chief industry analyst at CompareCards.com, a LendingTree company.

First, you only qualify for protection when you pay your cellphone bill with the card that offers the perk, in which case coverage typically kicks in the first day of the month after you pay your cellphone bill.For example, if you pay your cellphone bill with your credit card on June 15, your cellphone will be protected beginning July 1. When your next bill comes due on July 15, and you choose to pay it using your checking account, your cellphone coverage will lapse effective Aug. 1 and reactivate again only when you resume paying your bill with your credit card — again, on the first day of the month after you pay your bill.

It's also important to know what is and isn't covered. "Generally speaking, what's covered is a damaged or stolen phone," Schulz said. "If you just lose your phone — if you leave it in a taxi while you're on vacation — you're not going to receive any money back."

In the case of a stolen phone, you typically must file a police report within 48 hours of the theft. And in the case of a damaged phone, you may be asked to provide a repair estimate from an authorized cellphone repair facility if you plan to have your phone fixed; a receipt for a replacement phone if you had to buy a new device and want to be reimbursed; or even the phone itself so it can be evaluated for damages.

Although there are some minor differences, benefits are generally the same across cards, according to Schulz, who says the maximum benefit typically covers only a fraction of the cost of replacing the most expensive smartphones. As a result, card issuers generally consider their insurance to be "supplemental" — intended for use in combination with other insurance policies in order to cover costs they don't.

Which credit cards offer cellphone insurance?

What was once a novel benefit is becoming more and more common. "That's because cellphones have become such an important part of everybody's lives, and because they've gotten so expensive," Schulz said. "Card issuers are always looking for new ways to differentiate themselves from the competition; when you're dropping several hundred to $1000 on a phone, insurance starts to seem like a valuable thing to have."

Among the cards offering cellphone insurance is the Citi Prestige® Credit Card* ($495 annual fee), which began offering it on May 1, 2019, and has one of the industry's most generous benefits: up to $1,000 coverage per claim and up to $1,500 in coverage per year for up to five eligible cellphones per account, with a $50 deductible per claim.

Another popular choice is the Uber Visa Card, whose coverage — up to $600 per claim and up to two claims per year, with a $25 deductible — is typical of most offerings, including those of Wells Fargo, which offers identical coverage across each of its consumer credit cards.

The information related to the Citi Prestige® Credit Card and Uber Visa Card has been collected by CompareCards and has not been reviewed or provided by the issuer of this card prior to publication.

> Read *Which credit cards offer purchase protection?*

Even carriers that don't offer explicit cellphone benefits might cover your damaged phone. Capital One, for example, offers on some cards (e.g., its Visa Signature card) a purchase security benefit of up to $500 for items that are damaged within 90 days of purchase, and on other cards offers extended warranty coverage that doubles a purchase's original manufacturer warranty up to a maximum of one year. Although they won't help with old or stolen devices, both are alternative means by which to protect a new cellphone from damage.

Card issuer	Card name	Coverage/deductibles
Chase	Ink Business Preferred® Credit Card	Up to $600 per claim; up to $1,800 in coverage per years; $100 deductible
Citi	Citi Prestige® Credit Card*	Up to $1,000 per claim for 5 eligible cellphones per account; up to $1,500 in coverage per year; $50 deductible
Deserve	Deserve® Edu Mastercard for Students Deserve® Pro Mastercard Deserve® Classic Mastercard	Up to $600 per claim for up to 3 eligible cellphones per account; up to $1,000 in coverage per year; $50 co-pay per claim
Fifth Third Bank	Secured Card by Fifth Third Bank Stand Up To Cancer® Credit Card TRIO® Credit Card Truly Simple® Credit Card	Up to $200 per claim; up to two claims and $400 in coverage per year; $50 deductible
First Citizens Bank	First Citizens Rewards Visa® Card First Citizens Smart Option Visa® Card	Up to $500 per claim; up to two claims and $1,000 in coverage per year; $50 deductible
First National Bank of Omaha	Business Edition® Visa® Card	Up to $600 per claim for up to 5 eligible cellphones per account; up to $1,000 in coverage per year; $50 deductible
Navy Federal Credit Union	Navy Federal rewards® Secured Credit Card cashRewards Credit Card Platinum Card from Navy Federal Credit Union GO REWARDS® Credit Card Visa Signature® Flagship Rewards Credit Card	Up to $600 per claim for up to three eligible cellphones per account; up to $1,000 in coverage per year; $50 deductible
Barclays	Uber Visa Card	Up to $600 per claim; up to two claims and $1,200 in coverage per year; $25 deductible
U.S. Bank	U.S. Bank Visa® Platinum Card*	Up to $600 per claim; up to two claims and $1,200 in coverage per year; $25 deductible
Wells Fargo	Wells Fargo Cash Wise Visa® card Wells Fargo Cash Back College Visa® Card* Wells Fargo Platinum card* Wells Fargo Propel American Express® card Wells Fargo Secured Visa® Credit Card* Wells Fargo Rewards Visa® Credit Card* Wells Fargo® Visa Signature® Credit Card*	Up to $600 per claim; up to two claims and $1,200 in coverage per year; $25 deductible

**The information related to this offer has been collected by CompareCards and has not been reviewed or provided by the issuer of this card prior to publication. These offers and/or promotions may have since changed, expired, or are no longer available.*

What are your other cellphone insurance options?

Because card issuers typically intend for their cellphone benefits to supplement other coverage, it's important to know which types of primary insurance are available.

One is carrier-provided insurance. According to Consumer Reports, AT&T, Sprint and Verizon offer plans through insurer Asurion, while T-Mobile offers them through Assurant. With each, you can customize your coverage based on the amount of protection you want, as well as the number and price point of devices you want to protect. Monthly premiums range from just $6.75 per month to insure a single smartphone through Verizon to $34.99 per month to insure three devices through AT&T. Carriers typically cover loss in addition to theft and damage, and generally pay more per claim than card issuers in exchange for higher deductibles; Verizon, for example, charges a $149 deductible to protect an iPhone 8, but will pay up to $2,000 per claim.

> Read *Which credit cards offer an extended warranty?*

Some phone manufacturers also offer coverage. Apple, for example, insures iPhones through AppleCare+, which starts at $129 for a two-year plan to insure Apple's cheapest device against accidental damage only and goes up to $299 for a two-year plan to insure its most expensive device against damage, theft and loss. For Galaxy users, Samsung offers Samsung Protection Plus, which starts at $99 for two years and covers only accidental damage or mechanical breakdowns.

Yet another option is personal insurance, according to Beth Maerz, vice president of customer experience and innovation at insurance company Travelers. She says many homeowners and renters insurance policies cover cellphones for damage or theft, although higher deductibles — typically $500 to $1,000 — apply.

CHASE Ink VISA
Ink Business Preferred® Credit Card
(24)
Apply Now
Expand Details

"If somebody comes into your apartment and takes $20,000 worth of stuff, it's only a $500 deductible to replace it, and that includes your phone," Maerz said. "On the flip side, if you just damage your phone, you still have to pay the same $500 deductible; if all you have is a cracked screen, that really isn't going to help you."

A possible solution is "flexible" personal insurance. In 2018, for example, Travelers launched Traverse, which allows consumers to insure only the items that are important to them, like their cellphone. Like SquareTrade, it covers cellphone-specific loss, theft and damage in exchange for a monthly subscription; but while SquareTrade costs $8.99 per month and charges a deductible of up to $149 per claim, Traverse starts at $4.75 for a smartphone and charges no deductible.

However, Traverse is currently available only in New York, but the company plans to expand soon.

Should you choose a card that offers cellphone insurance?

Clearly, credit card-issued cellphone insurance is just one option. Depending on your needs, it could be the best option.

But that doesn't mean you should seek a credit card based exclusively on its cellphone benefits.

"It probably shouldn't be priority No. 1," Schulz said. "If you carry a balance, you should be looking for cards with low APRs and fees. And if you're seeking rewards, you should be looking at sign-up bonuses and redemption policies. But if you're trying to decide between a couple of comparable cards, and one of them offers cellphone insurance, it could be a deciding factor. Because $600 per claim is not an insignificant amount of money — especially if you have a top-of-the-line cellphone."

Bottom line

Cellphone insurance alone does not a great card make. But if you can't live without your phone, and you already have or covet a card that offers it, it's a benefit you should definitely exploit.

By: Matt Alderton
Updated on: Jul 05, 2019

Recommended Posts:

Best Gas Rewards Cards for February 2020
Benet J Wilson
You're excited to find a credit card that focuses on rewards for gas purchases. Now might be a good time to do this, considering that national average prices for regular gas have risen from $2.38 a year ago to $2.56 now, according to AAA. In this article No. 1: Bank of America® Cash Rewards Credit Card No. 2: Cash Rewards Offer No. 2: Blue Cash Preferred® Card from American Express No. 3: Discover it® Cash Back Honorable [...]
Top Picks
February 1, 2020

Apply for a Credit Card and Get 50,000+ Bonus Miles
CompareCards Staff
You can often earn 50,000 miles or more with the right bonus mile credit card offer. We've searched around and haven't found a reliable place that features current, lucrative introductory bonus mile offers from airline credit cards. So we decided to check constantly for the latest and most lucrative mile credit card offers available to [...]
July 2, 2018

Best Dining Credit Cards for February 2020
Alexandra White
If you eat out on a regular basis — whether dining out or ordering in — you can benefit from a credit card that offers cash back, points or miles on those purchases. When choosing a restaurant credit card, it's important to consider not just the number of rewards per dollar you can earn (or [...]
Top Picks
February 1, 2020

Top Credit Cards from our Partners

Capital One® Quicksilver® Cash Rewards Credit Card
(2,243)
Apply Now
on Capital One's secure site

BankAmericard® credit card
(651)
Apply Now
on Bank of America's secure site

Discover it® Balance Transfer
(709)
Apply Now
on Discover's secure site
Rates & Fees

Best Card Recommendations

Best Cashback Credit Cards
Best Balance Transfer Cards
Longest 0% APR Card Offers
Best Cards for Excellent Credit
Best Small Business Credit Cards
Best Travel Credit Cards
Best Student Credit Cards
Best Gas Rewards Cards
Best No Fee Balance Transfer Cards
Best Low Interest Cards
Best Secured Credit Cards
Best Airline Credit Cards
Best Rewards Credit Cards
Best Credit Card Sign-Up Bonuses
Best Grocery Credit Cards
Best Credit Cards With No Annual Fee

Top Categories

Balance Transfer
Business
Cashback
Credit Card Reviews
Financial Education
Rewards
Student
Studies
Top Picks
Travel

***General Disclaimer:** *See the online credit card application for details about terms and conditions. We make every effort to maintain accurate information. However, all credit card information is presented without warranty. To confirm terms and conditions, click the "Apply Now" button and review info on the secure credit card terms page.*

***Advertiser Disclosure:** *CompareCards is an independent, advertising-supported credit comparison service. Offers which appear on CompareCards.com are from companies with which CompareCards.com receives compensation. This compensation may impact the location and order in which these products appear. CompareCards.com takes into consideration several proprietary rules and the likelihood of an applicants' credit approval to determine how and where products appear on the site. CompareCards.com does not include the entire universe of available credit or financial offers.*

***Editorial Note:** *This content is not provided or commissioned by the credit card issuer. Any opinions, analyses, reviews or recommendations expressed in this article are those of the author's alone, and may not have been reviewed, approved or otherwise endorsed by the credit card issuer. This site may be compensated through a credit card issuer partnership.*

CompareCards. © 2020 All Rights Reserved.