

# PET INSURANCE:

## IT COULD SAVE YOUR PET'S LIFE (AND COULD SAVE YOU MONEY)



Pet owners care deeply about their furry family members, sometimes going to great lengths to ensure Fido or Fluffy's health and wellness. Even with excellent care, however, a pet can still get sick or severely injured - and the cost of care can quickly add up. According to the American Pet Products Association (APPA), Americans spent \$16.62 billion on veterinary care in 2017.

Veterinary technology has advanced, and today's pets receive such complex medical treatment as chemotherapy, physical therapy and heart surgery. While these services can help extend or even save a pet's life, they often come at a steep price. As such, many families are faced with making life-or-death decisions based on how much care they can afford.

To help ease the financial burden of caring for a sick or injured fur baby, some families decide to invest in pet insurance.





## YOUR CHOICES

Just like health insurance for you or a family member, there are several types of pet insurance policies:

- A **pet health insurance policy** reimburses the pet owner for specified veterinary care. As with your health insurance policy, these policies typically itemize covered treatments, deductibles (the amount you're responsible to pay) and lifetime or per illness maximums. The cost of the policy may vary based on the amount and type of coverage as well as the breed or species.
- A **pet life insurance policy** covers end-of-life costs for your animal. This can include burial or cremation expenses and even bereavement counseling for you and your family.
- **Pet injury coverage** may be part of your auto insurance policy. It covers the treatment of a pet injured in a car accident up to a set limit. Check with your insurance agent or company to determine if your auto policy includes coverage for a pet traveling in your car.





## WHAT TO COMPARE WHEN REVIEWING YOUR OPTIONS

**Covered conditions:** Some pet health insurance policies may reimburse covered medical expenses for accidents, illnesses, surgeries, X-rays, prescriptions, hospitalizations, emergencies or cancer treatments. Other plans may only cover accident and illness after a waiting period.

**Pre-existing Conditions:** Hereditary conditions and certain medical conditions are considered pre-existing. Look to see if the conditions are considered curable (stable or controlled pre-existing conditions) or incurable (terminal pre-existing conditions). For pre-existing conditions considered curable, the company may choose to enforce a waiting period before coverage can begin. Conditions considered incurable such as diabetes or cancer may be excluded or may be covered on a limited basis. A veterinarian may need to conduct an examination to certify your pet's health.

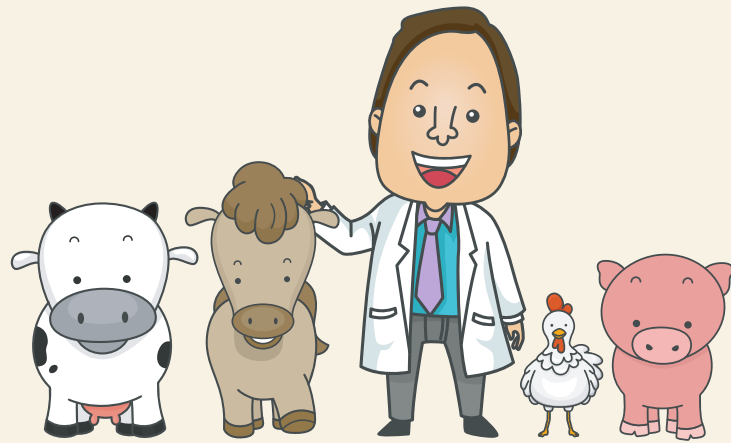
**Exclusions:** Treatments not covered by pet insurance can vary by type of pet or breed. Not all pet insurance plans cover preventative care, dental care not associated with an accident or injury, treatment of behavioral problems, breed-specific hereditary conditions or elective procedures. Treatment of congenital conditions (a condition your pet is born with) or hereditary conditions may have a limited benefit.

**Reimbursement:** What the insurance company will pay per treatment is explained in a benefits schedule. This list outlines how much – by percentage of cost or dollar amount – the company will pay for treatments. You may be responsible for copays or deductibles. Some companies will pay the vet for services, but often you'll be responsible for the full amount at the time of treatment, and then be reimbursed by the insurer for covered expenses.

**Renewable Benefits:** If your pet is treated for a covered condition during the policy term, some companies may consider the condition to be pre-existing and will exclude coverage for the condition when the policy is renewed.

**Veterinarian Networks:** Some pet health insurance policies will require you to use a specific network of veterinarians. Check to see which ones are in your network. With all property insurance, it is a good idea to take photos or videos of your prized possessions. Creating a home inventory from the NAIC's free smartphone app, [myHOMEscr.APP.book](#), makes the process easier. Discuss valuable antiques, artwork or jewelry with your agent or company to determine proper coverage. In addition to covering your belongings, renters insurance typically includes liability coverage in case someone is injured in your home.





## WHAT QUESTIONS TO ASK

Consider whether you need pet health insurance. Estimate the health costs for your animal's expected life. Take into consideration how much you could afford for emergency treatment or a long illness.

Shop around! Compare policy benefits, deductibles, limits and exclusions. If you choose to purchase pet insurance, make time to read the terms and conditions including co-pays, deductibles, limits and exclusions. Double-check the amount of coverage shown in your insurance policy.

Checklist of questions to ask your insurance agent or company:

- Can I choose any veterinarian?
  - What is the deductible and copay?
  - Does the policy cover annual wellness exams?
  - Is there a dollar limit for office fees?
  - Are prescription drugs covered?
  - What about spaying or neutering charges?
  - Does the policy have renewable benefits?
  - Is there a waiting period before coverage becomes effective?
  - Does my pet need a health exam to qualify for the policy?
  - If my pet has a pre-existing condition or chronic condition, how is it covered or excluded?
  - How long do you take to pay claims?
  - Does this plan cover advertising costs and rewards if my pet is lost or stolen?
  - Does this plan have end-of-life benefits?
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## OTHER PET RISK-MANAGEMENT TOOLS

**Wellness Programs:** In addition to pet insurance, some veterinary offices offer their own wellness plans for items traditionally not covered by pet insurance, such as vaccinations and examinations.

**Discount Plans:** There are some national discount programs that offer veterinary service discounts for a monthly fee. Typically, veterinarians who are part of a network must be used to receive the discount.

**Pet Pharmacies:** Many pharmacies, like those at discount stores, carry pet prescriptions.

**Homeowners Insurance:** Homeowners and renter's policies can sometimes assist with covering pet-related expenses on your property. If pets are harmed at home when owners are following the laws of their jurisdiction (such as leash laws), offending parties may be liable for your pets' medical bills. Additionally, arrangements such as boarding may be covered for pets when a homeowner incurs additional living expenses while the home is being repaired for a covered loss. However, homeowners need to know whether their animal is excluded by their insurance carrier due to the animal breed or aggressive history. There may be an option for additional or specific liability coverage to cover these risks.

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