



# Pet Insurance

## Introduction

Almost 50% of pet owners in Sweden now carry some type of pet insurance, as well as nearly 25% of those in the UK. However, the concept hasn't caught on in the US, where only 1-5% of pet owners have insurance for their pets.

Pet insurance works much like people insurance: You pay premiums to the insurer, who then covers your cat for treatment of medical problems, minus any co-pays, deductibles and unreimbursed costs. In addition to this basic health care coverage are other more specialized types of insurance including pet life insurance, third party liability insurance, pet travel insurance, and pet sitters insurance.



## Pet Health Insurance

Most pet health insurance is of the "indemnity" type. That is, your cat gets sick, you him to the vet, you pay the bill, submit it to the insurance company, and they send you a check, after subtracting any deductible and/or co-pay percentage. Some companies offer an HMO style policy, or a discount plan, which restricts you to a particular network of care providers who have agreed to be a part of the plan.

Most companies have age restrictions, and will only insure pets from about six months old to eight or nine years. A few offer "senior" policies that cover older pets, or "lifetime" policies that will stay with your pet all his life.

As with people insurance, pet insurance policies have a great deal of "fine print," which you must scrutinize very carefully to be sure you completely understand what is and is not covered. The fine print addresses various coverage levels, waiting periods for policies to take effect, exclusions (which are often for pre-existing or congenital conditions), deductibles, payout caps per incident, per year and per ailment. Read it all before you buy. Especially in the case of "lifetime" policies, you may be stuck with this company for the life of you cat, and if you've made a bad choice, you might not be able to change, at least not without significant financial penalties and costs

## Questions to Ask Before You Buy:

- » Frequently, congenital and hereditary illnesses, as well as pre-existing conditions, are not covered by pet insurance. Be sure to ask about their pre-existing conditions as there are some questions as to what constitutes a pre-existing condition.
- » Make sure you find out what the waiting period is for your cat's insurance coverage; ask if a telephone call to a vet before the policy takes effect would count as a diagnosis.
- » Will the insurer cover routine wellness care, such as vaccinations against rabies and distemper and other diseases?
- » What about testing for feline leukemia and FIV, heartworm preventative, and flea control?
- » Does the policy cover neutering and spaying costs, or dental cleanings?
- » Does the policy cover prescriptions?



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- » Can you pay for the policy on a monthly basis?
- » Will you get a discount for insuring extra pets?
- » Are you limited to the insurer's choice of veterinarians, or can you choose your own?
- » How long does it take, on average, for a claim to be processed?
- » What are the deductible levels on the policy?
- » Is there a lifetime limit on payouts and what are the annual caps on payment?
- » What are the caps for specific illnesses and specific incidents?

## Types of Expenses Most Often Covered:

- » Emergency care
- » Office visits
- » Diagnostic test
- » Prescriptions
- » X-rays
- » Lab fees
- » Hospitalization

## Most Common Types of Pet Insurance Policies are:

- » **Standard plans** usually cover (after deductible and often a copay of 10-20%) emergencies, standard treatments, and major medical costs. These can include 12-month plans that you pay for by the year, or lifetime plans with annual premiums for the life of your cat. These policies cover only the most basic expenses.
- » **Premium plans** not only cover more conditions and types of expenses than the basic, but can include riders that cover routine care, vaccinations, dental care, nail trimming, and sometimes grooming. They can also include extended care for elderly pets and sometimes medications, supplies, and free help lines.
- » **Special plans** are available for elderly pets, as well as those with special needs.

## Pet Life Insurance

Just like people life insurance, you pay a monthly or yearly premium in exchange for receiving a lump sum of money on the death of your pet. There are variations and/or riders available, such as accidental death policies if your pet should meet an untimely death. Some of these policies include bereavement counseling for the pet owner, as losing a pet can be and often is as traumatic as the death of any other family member.

## Pet Travel Insurance

Essentially, pet travel insurance policies offer the pet owner peace of mind with regard to any unexpected expenses for their pets that might be associated with travel, either with or without their pets. These policies can include such specifics as:

- » Emergency veterinary expenses while abroad.
- » Reimbursement for cancellation or curtailment of your trip expenses if your pet is certified as too ill to travel or dies while on holiday.



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- » Hospitalization of Owner pays for the cost of caring for your pet if you should need to be hospitalized while traveling.
- » Accidental death / loss of pet coverage pays you a preset amount if your pet dies or is lost or stolen on holiday.
- » Reimbursement for fees connected with repatriation if your pet is ill or has dies while on holiday, including costs for disposal either abroad or on return.
- » Replacement documents covers the cost of obtaining new papers for your pet if they are lost or stolen on holiday.
- » Quarantine if necessary due to microchip failure (UK) and other expenses incurred as a result of enforced quarantine, including repeat tick and worming treatment and/or administration of any other vaccinations due.

## Miscellaneous

In addition to the above, there are several other types of insurance coverage you can purchase in connection with your pet, either individually or as part of an overall package of protection.

- » Third party liability, which covers you for the cost of any damage your pet may cause to someone else's property or person. This is usually restricted to dogs only.
- » Loss or theft coverage repays you what you paid for the pet.
- » Advertising and reward coverage pays the cost of advertising your lost or stolen pet, as well as a reward to entice his return.
- » Boarding fees are paid if you have to be suddenly hospitalized for more than a specified period of time, usually a few days to a week.
- » Legal riders will pay your attorney fees if you must defend yourself in a lawsuit for damages caused by your pet.

## Pet Sitter Insurance

This insurance is purchased by people providing pet sitting services. If you do this type of work, or hire someone to watch your pet, you should either be sure to obtain this your yourself, or make sure the person you hire has it. Basic components are:

- » General liability, which provides coverage for any kind of accident while a pet sitter is in your home, or walking or transporting your pet. It includes both loss of the pet, veterinary expenses, and property damage.
- » Dishonesty Bond means the pet sitting company will pay for any theft committed by a person in their employ.
- » Pets in Your Care covers accidents or harm to your pet while at the premises of the pet sitter.
- » Business Property covers pet sitting companies for loss or damage to their property.

## Cost

Costs of veterinary care are increasing in the US and other parts of the world as well. Part of this has to do with advances in medicine, and the availability of high-tech techniques and equipment. Basic health care can run from \$2000 to \$6000 over the life of an average pet. Any type of emergency after-hours treatment is likely to be in the hundreds or even thousands of dollars.



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The bottom line is how much money are you willing to pay for your pet? And then, once you answer that, you need to look at whether or not you could afford to pay that amount yourself. First, decide how much money you're willing to spend on your pet in the event of an illness or accident. For some people, the sky's the limit. Their pet is their family, their four-legged child with fur, and there is nothing they wouldn't do to save him. But for others, euthanasia is an acceptable alternative in the face of a life-threatening illness or injury, especially one with significant cost associated with its treatment. If the first, insurance may be a viable choice for you. If the second, and the amount you are willing to spend is modest, then perhaps it is not.

Another way to look at it is to consider your pet's breed, and logically determine the expected lifetime costs for veterinary care. Then compare that to the cost of insurance and decide whether or not you would be saving money by purchasing it. There is such a wide range of prices that you will first need to decide what you want, then see how much it costs, then make the decision as to whether it's a good deal for you – or not.

## Companies

Much pet insurance is sold by companies directly selling their own insurance products. Often you will see that it is “underwritten” by some other company, which simply means that some other, usually larger or parent company has determined the premium and is assuming the risk. Here is an alphabetical list of some of the better-known companies selling pet insurance:

### ***The Hartville Group***

- » A US holding company specializing in niche insurance, its pet insurance marketing subsidiary provides the Healthy Bark & Purr brand Petshealth Care Plan™ brand sold in more than 45 states.

### ***PetCare™***

- » A US company, administered by Chicago-based PetCare Pet Insurance Programs™, in turn owned by Petshealth Inc.™ of Oakville, Ontario. It has a marketing relationship with Readers Digest and the large Petco™ chain of pet stores. This company offers affiliation. Some of its affiliated include: Quick Care, Pets HealthGroup™, and InsureMyPets.com

### ***Pet Plan™ pet insurance***

- » The oldest and largest pet insurance company, with divisions in the UK, EU, Canada, and the US.

### ***VPI Pet Insurance™*** (or Veterinary Pet Insurance)

- » The US brand name of Pet Plan insurance™, and is also the oldest and largest pet insurance company in the US.

### ***Pet Partners™***

- » A US-only company, owned by a British-based company set up in Raleigh, NC. It offers plans through a partnership with the American Kennel Club (AKC) and the Cat Fanciers' Association (CFA).

### ***Pet Protect™***

- » Another US-only company that with Pet Partners™, is one of the smaller companies in the field, with only an estimated few thousand dogs and cat insurance policies in force. They offer two plans from which to choose with good real life examples on the website, but do not offer routine vet care coverage.

### ***Pets Health Insurance Company™***

- » US-only, based in Ohio, though underwritten by London Markets.



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## Pet Sitter Insurance Companies *Pet Sitters Associations™*

- » A US membership association that includes insurance in the annual dues.

### *National Association of Profession Pet Sitters™*

- » Another US organization offering pet sitters insurance along with annual membership dues.

## The Bottom Line

Yes, insurance is a complicated, even dizzying subject, and the sheer complexity of insurance policies, offerings, choices, plans and prices can seem overwhelming. But if you foresee the possibility of large expenditures for veterinary services for your pet or pets, and feel the need to have some financial peace of mind regarding them, or think you might be able to save some money by going that route, then pet insurance may be worth the time and effort it takes to find the right one for you.

Pet health insurance has its problems, but is well worth looking into for most pet owners. In cases of catastrophic accident or illness, it can and has been a lifesaver for pets without draining the owners financially, or forcing them to make a decision to have a pet euthanized because they couldn't afford it medical treatment. But be an intelligent consumer, and check out all your options before you buy.



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Some excerpts taken from Pet Insurance article listed on [www.pet-supplies-review.com/pet-insurance.html](http://www.pet-supplies-review.com/pet-insurance.html)