

## Why have pet insurance?

Pets are an important addition to the day-to-day lives of many people. Surveys show that more than 70 million dogs and 80 million cats are residing as household pets in the United States. Nearly two-thirds of all households own pets, which is double the amount of households with children. In fact, most pet owners now consider their pets to be family members or companions, a big step away from the time when they were merely considered property.

*Did you know that every year your pet has a 1 in 3 chance of becoming ill or injured?*

The devotion that pet owners have for their four-legged family members is not all talk, but is as real as the millions of dollars that they spend each year on pet supplies and veterinary care. This includes paying for everything from nutritious food and comfortable shelter to regular vet check-ups and vaccinations, preventative heartworm, flea, and tick treatment, toys and activities, grooming, and personal pet sitting services. It shows that pet owners want to provide the best care for their dogs and cats and are willing to do all they can to keep them happy and healthy.

Pet health insurance is one more way that loving pet owners can help take care of the family members that happen to be dogs and cats. Just like humans, animals can get sick or injured. Even with the most loving care and best efforts at providing preventive measures, unforeseen accidents and illnesses happen.

Pet health insurance can help pet owners protect their dogs and cats by helping them cover unexpected veterinary costs. While pet insurance is more common in other countries, it is slowly gaining popularity in the United States as well. We hope our articles on this site will help you learn more about your pet insurance options and the variety of health plans available to help you provide the appropriate veterinary care for your dog or cat when it is needed the most.

### Benefits of Pet Insurance

Pet insurance, just like people health insurance, can help cover the cost of medical care in the event of unexpected health issues or accidents that may not have been affordable otherwise. If your pet becomes ill or injured, you will not have to base your decision for treatment on the cost of veterinary care, but on providing the best treatment necessary for health and healing.

*Nearly 90% of pet owners say their pet is a member of the family and not just property. Over two-thirds of pets are*

*allowed to sleep in bed with their owners and more than half receive presents at holidays.*

The benefits of pet insurance include both financial protection and emotional comfort for the pet owner. When unforeseen health issues or accidents happen, having your pet insured will prepare you for any health related emergency or unexpected illness. It may also prevent you from having to choose between spending a great sum of money or euthanizing your pet. It will allow you to choose care based on need rather than on affordability.

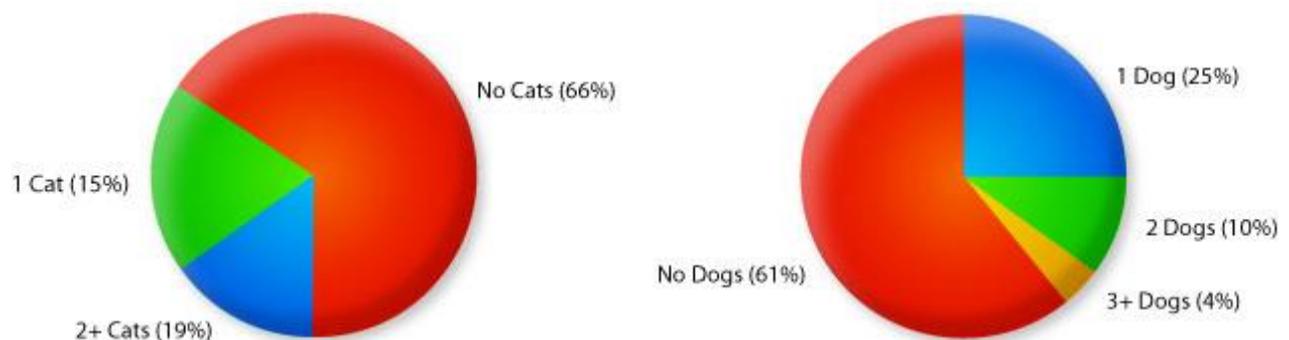
## How Pet Insurance Works

Pet insurance has been available for 15 to 20 years and is set up in a way that is very similar to other types of insurance. You select an insurer and plan, make monthly premium payments, have plan deductibles, co-pays, and annual limits, and submit claims for reimbursement of veterinary care.

With most pet insurance policies, if the pet becomes ill or injured and veterinary care is provided, it is the responsibility of the pet owner to pay the veterinarian bill. Then, a claim form is filled out and submitted to the insurance company for reimbursement of the pet care expenses.

The insurer processes the claim and then issues a check to the pet owner for the applicable amount. Reimbursement amounts are based on the policy terms and conditions, including the deductible amount, co-pay amount, annual limits, and schedule of covered benefits.

*Percentage of Households with Cats & Dogs*



**Source:** American Pet Products Manufacturers Association (APPMA) 2007-2008 National Pet Owners Survey

## Pet Insurance - Covered Treatments

The treatments that are covered by pet insurance are different from company to company as well as between plans that vary from basic coverage to comprehensive coverage. Most pet insurance plans cover only veterinary costs that result from an accident or illness, although some insurers also offer policies that include routine care and preventive

treatment. It is important to understand your options and the type of coverage you are purchasing.

### **Treatments that are covered by most pet insurance plans include:**

- **Initial and follow-up visits to the veterinarian for illness or injury**
- **Laboratory tests and diagnostic procedures, such as ultrasounds, X-rays, CAT scans, MRI's, and blood tests**
- **Non-elective surgery**
- **Hospitalization**
- **Anesthesia**
- **Prescription medication**
- **Euthanasia for humane reasons**

### **Pet Insurance - Limitations and Exclusions**

When comparing pet insurance plans, check for policy exemptions and limitations. Insurance policies will not cover every situation or expense that may occur, but there are differences between companies and plans. Coverage may also be limited by breed (genetic traits) and pre-existing conditions. Some covered expenses may be subject to a waiting period.

It is also common for most routine care items to be uncovered expenses, although some policies may provide a fixed amount back for certain preventive care treatments such as vaccinations or deworming. Some health plans may even require annual check-ups and vaccinations to remain covered, even if they are not covered benefits.

### **Conditions or treatments that may not be covered include:**

- **Routine care and well pet visits to the veterinarian**
- **Vaccinations**
- **Deworming**
- **Dental care and dental diseases such as gingivitis**
- **Pre-existing conditions**
- **Chronic illnesses lasting more than one year**
- **Genetic testing and conditions**
- **Cosmetic procedures such as tail docking and ear cropping**
- **Alternative therapies such as acupuncture or holistic treatments**
- **Organ transplants**

Although pet insurance plans may not cover certain items in full, some policies provide an allowance or partial reimbursement towards items such as prescription food, recovery costs, as well as boarding and kennel fees.

## Compare Pet Health Plans

Health plans and prices vary widely, so it is worthwhile to review your options before making a selection. You will find that pet plan eligibility is often based on your pet's breed and age with varying levels of coverage and cost.



Some pet plans are comprehensive and provide coverage for items such as annual check-ups, vaccinations, spaying or neutering, accidental death benefits, and even lost pet rewards. Other pet insurance policies cover only accidents and illness.

There are about a dozen pet insurers in the United States with a variety of health plans for dogs and cats. The availability of options allows you to compare pet insurers and the various pet programs and choose the best health insurance plan for your budget and your pet's needs.

## The Cost of Pet Insurance

The cost of veterinary care has risen substantially over recent years, reflecting the advancements and improvements that have been made in medical technology and treatments for pets. Not only have pet treatment options increased, however, but today's pet owners are more likely to consider their pets a family member or companion and spend money to diagnose and treat an illness or injury. In the past, it was more common to simply euthanize the pet rather than pay for extensive veterinary care.

*Pet owners spent \$24.5 billion on veterinary medicine in 2006, which is more than double what was spent 10 years ago, according to the American Veterinary Medical Association.*

If your pet becomes ill or injured and you choose to treat the problem, the cost of veterinary treatment can run into the thousands of dollars. The list of expenses for dealing with an illness or injury includes a wide range of items, such as X-rays, MRI's, blood work, hospitalization fees, and prescription medications. For these unexpected situations, pet insurance can help you defray the cost of expensive veterinary care.

## Pet Insurance Premiums

Fortunately, pet insurance can be quite affordable. The price of pet plans will vary depending on the type of policy you choose, but basic accident coverage can start at less than \$10 a month. Pet owners who choose the most comprehensive plans and routine care coverage will pay more, often up to \$50 or more per month. On average, most pet insurance health plans cost between \$20 and \$40 per month.

**The cost of pet insurance is determined by many factors, including:**

- **Pet Insurer**
- **Type of coverage**
- **Policy limits**
- **Geographical location**
- **Type of pet (dog or cat)**
- **Breed of pet**
- **Sex of pet**
- **Age of pet**
- **Whether pet is spayed or neutered**

### Type of Coverage

The type of coverage - accident, illness, or routine care - affects the cost of pet insurance. Find out what is covered and what is not covered. As with all types of insurance, the greater the amount of coverage, the higher the premium amount. If you absorb a greater share of the veterinary care, you will be able to lower the premium. You can make pet insurance more affordable by choosing not to cover routine care.

### Policy Limits

The policy limits - deductible, co-pay, incident cap, annual cap - affects the cost of pet insurance. Find out how much you will have to pay before the insurance company reimburses expenses, and what the maximum amount paid per incident or illness as well as annual caps. As with all types of insurance, you will be able to lower the premium if you absorb a greater share of the veterinary care. You can make pet insurance more affordable by choosing a higher deductible, higher co-pay, and lower annual maximum.

### Geographical Location

Where you live can affect the premium, since veterinarian costs vary significantly between areas. The cost of veterinary care will usually be higher in a big city than in a small town,

which affects reimbursement rates. Some insurance companies will base pet insurance premiums on either your state or zip code to more accurately reflect veterinarian cost in your home area.



#### Type of Pet

On average, dogs have more injuries and illnesses than cats and tend to visit the veterinarian more often. Because of the increased risk, it costs more to insure a dog than a cat.

#### Breed of Pet

The breed of your pet can affect the cost of insurance or coverage. Some breeds are predisposed to certain genetic conditions, which may increase the premium amount. Some insurance companies may simply exclude certain illnesses or conditions that are considered hereditary within a breed.

#### Age of Pet

The cost of pet insurance typically increases with age. The best rates are usually given to pets who are 8 weeks old thru 5 years old. Some insurers will not write new policies for older pets. For pets that are insured at a younger age, the premium amount may be increased as the pet gets older.

#### Spayed and Neutered Pets

Dogs and cats that are spayed or neutered will often receive a lower premium as they tend to have a lower risk of certain diseases and illnesses.

## Pet Insurance Tips



### Things to Know Before You Buy Pet Insurance

If you are the type of pet owner who would do anything to save your dog or cat, even spending thousands of dollars on veterinary care for injuries and illnesses, then pet insurance can offer you financial protection and keep you from going into debt if the unexpected happens.

*More than 1,600 companies, including Google and Office Depot, provide pet insurance coverage as an optional employee benefit.*

The time to buy insurance is before you need it. Once the illness or accident happens, it is too late for the incident to be covered. So, what can a veterinary emergency cost?

- **Broken leg - \$1200.00**
- **Sudden illness - \$900.00**
- **Poison ingestion - \$950.00**
- **Cancer treatment - \$3500.00**
- **Cruciate ligament tear - \$3200.00**
- **Swallowing a foreign object - \$1975.00**

### Compare Pet Insurance Policies

Before you enroll in a pet insurance health plan, however, it is important to shop around and find the right insurance policy for you and your pet. Pet health policies vary widely in coverage, cost, and reimbursement benefits between pet insurers and health plans. Make

sure you understand what you are buying - from the covered benefits to the limits and exclusions of the policy.

### **Items to consider when comparing pet health plans:**



#### **The age of your pet**

Some insurers have age limits for coverage (some won't insure pets less than 8 weeks old and some won't insure older pets), while some insurers have no age limit.

#### **The breed of your pet**

Some insurers restrict coverage for certain breeds (look out for exclusions of breed-specific hereditary conditions or accident exclusions that restrict dog fight injuries in aggressive breeds), while other insurers will either not insure certain breeds or charge higher premiums for certain breeds.

#### **Pre-existing conditions**

Coverage for pre-existing conditions are normally excluded; also, some pet insurers consider a condition pre-existing at renewal (a covered illness or injury from one policy period may not be covered in the next policy period).

#### **Type of coverage**

Some insurers offer policies that only cover accidents, most insurers offer pet plans that cover both accidents and illnesses, and a few offer policies that cover preventive care (such as checkups, vaccinations, spaying/neutering, teeth cleaning) in addition to accident and illness coverage.

## Exclusions

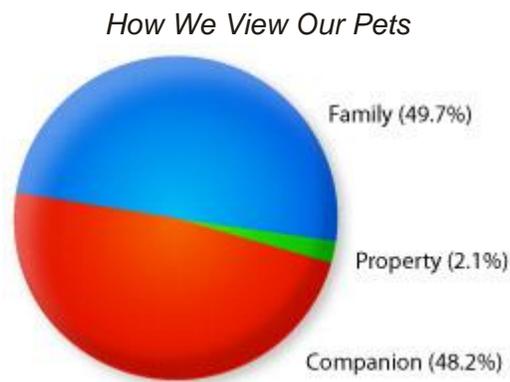
Make sure you understand the limitations of the policy; all insurance policies have exclusions to help keep costs down, such as exclusions for hereditary conditions, chronic illnesses, cosmetic procedures, or alternative treatments; often the health issues that are likely to affect your breed of pet may be excluded from coverage; also, preventable diseases may not be covered if your pet did not receive the recommended vaccinations, or accidents if you were not following the leash law.

## Deductibles, co-pays, and caps

Find out about reimbursement rates and limits; some companies pay a percentage of the vet bill, some pay in full, and others pay a set amount; some insurers have a limit per incident, annually, or the pet's lifetime.

## Multi-pet discount

Most insurers offer a discount if you are insuring more than one pet.



*Source: American Veterinary Medical Association*

## Spay/neuter discount

Most insurers offer a discount if your pet is spayed or neutered; spaying and neutering reduces the chance of developing many illnesses or health conditions.

## Waiting periods

Some insurers require a waiting period before a claim is covered for accidents, illnesses, or routine care.

## Cancellation policy

Find out the guidelines as to when you can cancel the policy, find out under what conditions the company can cancel your policy.

## Renewal terms

What are the terms at renewal concerning: length of policy, policy cost, age of pet, limits on coverage for conditions treated during policy term.

### Veterinary care

Can you visit the veterinarian of your choice, do you need pre-certification to qualify for reimbursement, is there a limit to the number of visits.

### State you live in

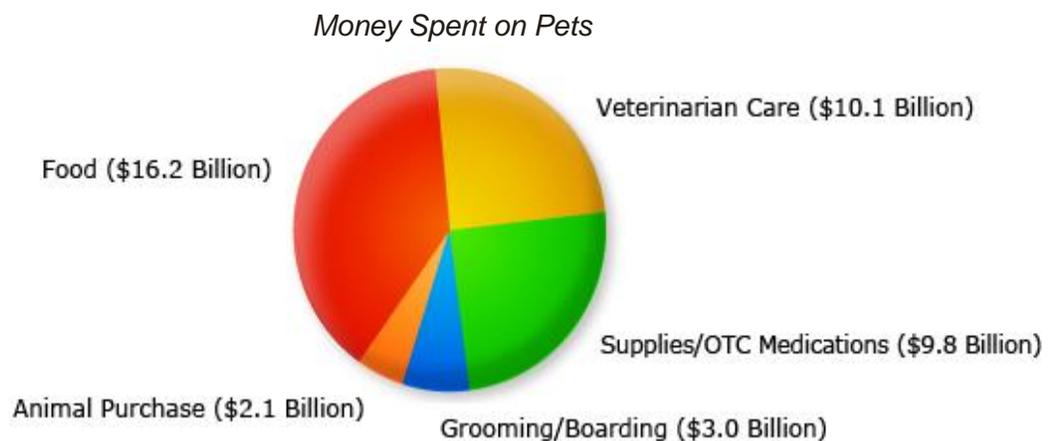
Insurance coverage can vary by state; make sure the insurance company you choose is registered to do business in your state with the state insurance regulators.

### Cost of pet plan

Your choice of policy should not be based on cost alone, also consider covered benefits and exclusions; the most affordable pet plans cover accidents only, the most expensive pet plans are also the most comprehensive and cover accidents, illnesses, routine care, and additional benefits; make sure you choose the appropriate level of coverage to meet your needs and budget requirements.

## Finding the Best Pet Plan

Shopping around and comparing health plans may seem overwhelming, but when the time comes to collect on your pet policy you will be glad that you made the effort to find the best pet plan for your needs. For many pet owners, the best option is to buy an accident only or an accident and illness pet plan that will help cover medical expenses for unexpected events. While routine care is important and necessary, the veterinary expenses that are expected can be budgeted and paid for out-of-pocket to save on insurance premiums. For some pet owners, however, the more comprehensive policies that cover wellness visits and preventive care may be a better option if they prefer more complete coverage. Remember to check for any breed exclusions and limits that may affect coverage.



**Source:** *The American Pet Products Manufacturers Association (Expenses in United States 2007)*

## Costs of Pet Insurance

The costs associated with pet insurance will vary from plan to plan, but some of the common expenditures to consider are:

- Premium amount (monthly or annually)
- Processing fee (monthly plans)
- Deductible (approximately \$100, but varies by company)
- Co-pay (per visit, per incident, by percent or benefit schedule)
- Percent paid (varies by company, average is 70% to 100%)
- Caps (per incident, per policy period, per lifetime)

## Pet Insurance Discounts

When comparing pet plans, find out if the insurance company offers discounts. If you are eligible for any of the applicable items, you will be able to lower the premium for the pet plan.

Some of the discounts offered for pet insurance:

- Annual payment discount
- Multiple pet discount
- Microchip discount
- Service dog discount
- Employee group discount

## Pet Insurance - Cost vs. Coverage

The cost of pet insurance should not be the only determining factor in choosing a pet insurance plan. The right plan for you will be a balance between the amount of coverage that meets your needs and premium amount that fits your budget.

## Pet Insurance Companies



**embrace**  
pet insurance

**Embrace Pet Insurance** offers pet owners great customer service and flexible policies for cats and dogs that cover accidents, illnesses, genetic conditions, chronic illnesses, and more. With their customizable policies, you are able to choose how much and what type of coverage you want, so that your pet insurance policy fits both your budget and pet needs. You can select the annual policy maximum, the annual

deductible, the co-pay, and whether or not you want coverage for prescription drug, dental illness, continuing care for chronic illnesses, or wellness care benefits.

Embrace Pet Insurance is a specialist insurance agency headquartered in Beachwood, a suburb of Cleveland, Ohio. The company has a reputation for providing comprehensive and easy-to-use pet insurance. Embrace was created by Laura Bennett and Alex Krooglik in July 2003 after they graduated from the Wharton MBA program. After years of preparation, Embrace Pet Insurance entered the US pet insurance market in 2006.



**QuickCare** offers a flexible range of pet insurance programs to meet the needs of all cats and dogs and all budgets. They have accident only plans, accident and illness plans that cover all major diseases (including cancer), plans that include wellness care, as well as special plans for senior pets, indoor cats and tenant pets.

QuickCare Pet Insurance, which has been available in the US since 2001, is a brand name of PetHealth Inc of Toronto, Canada. The QuickCare US offices are located in Buffalo, New York. QuickCare plans are currently available in 49 states (not available in Alaska) and Washington DC.

\*\*\* All information in this packet has been taken from [petinsurancereviews.org](http://petinsurancereviews.org)\*\*\*