



DEPARTMENT OF

## Professional & Financial Regulation

STATE OF MAINE

- OFFICE OF SECURITIES
- BUREAU OF INSURANCE
- CONSUMER CREDIT PROTECTION
- BUREAU OF FINANCIAL INSTITUTIONS
- OFFICE OF PROF. AND OCC. REGULATION

### *Insuring Your Pets*



Summer is here, and that means longer days, better weather and the chance to be outdoors. But it's not just you and your family who are spending more time in the sun. It's likely the family pets want to spend more time outdoors after being cooped up all winter. But being outside more often can also expose your four-legged loved ones to illness or injury.

In a recent [Associated Press/Petside.com survey](#), more than 40% of pet owners surveyed said they are worried they wouldn't be able to afford health care for a sick dog or cat. You may be considering pet insurance to help with veterinary expenses. Before you make your choice, here is some information from the National Association of Insurance Commissioners (NAIC) to help you get smart about your pet insurance

choices.

#### **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 covered 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 a pet health insurance policy will vary based on the amount of coverage, the type of coverage, the species and age of the pet, and even what breed of animal.

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** is a new type of coverage that 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. Generally, this coverage is automatically part of your auto insurance policy. Check with your insurance agent or company to determine if your auto policy includes coverage for a pet traveling in the car with you.



#### **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 pet insurance plans may only cover accident and illness after a waiting period.

**Pre-existing Conditions** – Certain medical conditions and most hereditary conditions are considered pre-existing conditions. Ask about pre-existing conditions and review the policy to see if they are covered. 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 kicks in. Conditions considered incurable such as diabetes or cancer may be excluded entirely or may be covered on a limited basis. A vet may have to examine your pet to certify its health before it can be insured.

**Renewable Benefits** – If your pet is treated for a covered condition during the policy term, some companies will then consider that condition a pre-existing condition when the policy renews and will exclude coverage for that condition in the renewal policy.

**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 also be responsible for co-payments or deductibles. Make sure you understand how the policy makes payments. 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 the company will reimburse you for the covered amount.

**Veterinarian Networks** – Some pet health insurance policies will require you to use a specific network of vets. Check to make sure there is a vet in your area or that your family vet is in your network if you don't want to change.

### **What to Consider, Questions to Ask**



Begin by considering if you need pet health insurance. Add up the costs of the policy for the expected life of your animal. Take into consideration how much you could afford to pay for emergency treatment or a long illness.

Shop around, comparing the policy benefits, deductibles, limits and exclusions.

Take the time to read the terms and conditions including co-pays, deductibles, limits and exclusions, and double-check the amount of coverage shown in your policy.

#### **Questions to ask the insurance agent or company:**

- Can I choose any vet?
- Does the policy cover annual wellness exams?
- Does the plan cover actual costs from my vet, or are reimbursements limited to a schedule of usual fees?
- Is there an annual limit for coverage?
- Are prescription drugs covered?
- Are spaying/neutering charges covered?
- Does the policy have renewable benefits?
- Is there a waiting period before coverage becomes effective?
- Does my pet need a health exam to get the policy?
- Are pre-existing conditions or chronic conditions covered?
- 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?
- Does this plan cover kennel costs during the treatment?

Although the Bureau can give general insurance information, and help when violations of insurance law have occurred, the Bureau cannot:

- Force an insurer to satisfy you if no insurance laws have been violated.
- Act as your lawyer or give legal advice.
- Resolve a dispute when the only evidence is your word against the word of the company.



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