



Pet Health Insurance

Now more than ever...worth a second look

This informational packet is meant to educate animal caretakers about the ever growing availability of pet health insurance. Redwood Veterinary Hospital believes that an informed pet owner is a good pet owner. So in that spirit we offer this overview of pet insurance. We hope to cover the following key points:

- 1) A few words about why pet insurance is gaining wider acceptance among pet owners***
- 2) Answer the question: Should I buy pet insurance?***
- 3) Some basic things to remember when looking into insuring your pet's health.***
- 4) Some websites that offer some valuable insights into pet insurance industry and do some of the hard work of comparing the many options available.***
- 5) A listing of the companies currently offering pet health insurance, and a short list of some of the more popular insurance companies based on consumer reviews (though we stop short of endorsing any one company).***
- 6) Introduce a worksheet to help you organize and compare features of different insurance policies.***

Let's get started!

1) A few words about why pet insurance is gaining wider acceptance among pet owners.

With the costs of veterinary medical care paralleling those of human health care, pet owners often face a difficult decision if their pet develops a serious illness or incurs a major injury. More and more pet owners are turning to health insurance for their pets to help make that decision less onerous.

The level of veterinary medical care available to pets today is truly amazing. Modern progressive general practices continue to raise the bar for first-line, day-to-day medical care for pets. For those pets with especially challenging medical issues, specialty services are now widely available. For instance, within an hour drive from Vallejo, there are at least 6 group specialty practices with experts in many disciplines such as advanced surgery, cancer treatment, cardiology, dermatology, and critical patient care. Advanced diagnostic tools such as CT scans and MRI's are readily available as well. The bottom line: Today our pets benefit from a level of medical care never dreamed of just a few years ago. There is little doubt, when it comes to the care of their animal family members, most pet owners want to take advantage of these advances; whether it be state-of-the-art services from their regular veterinarian or advanced approaches and advice from specialists. Sadly, despite the growing availability of top-rate veterinary health care, many pets won't have access to it. For many families, the cost of this modern sophisticated care puts it out of reach.

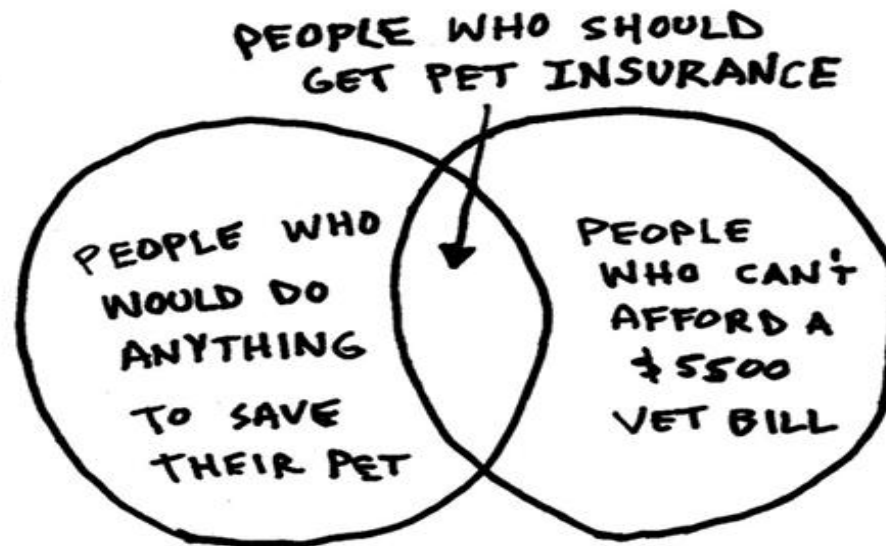
When veterinary medical cost is an issue, only a few options exist for pet owners. One option might be to not work-up or treat the pet's problem and hope things go OK. For obvious reasons, this is a risky option, to say the least. Another approach might be to opt for a less expensive approach that may or may not be effective in diagnosing and/or treating the medical problem. Sadly, in some cases euthanasia is considered. Because no one really likes these options, more and more pet owners are taking a serious look at pet health insurance that would allow them to pursue the healthcare their pet needs.

2) Answer the question: Should I buy pet insurance?

Most agree, If you are a pet owner who would "do anything for your pet" and have the means to pay, out-of-pocket, a very expensive vet bill (say \$1000-\$5000), then you probably should not buy pet health insurance.

If, on the other hand, you are a pet owner who would "do anything for your pet" but a major vet bill would be difficult or impossible to handle, then you may want to take a look at health insurance for your pet.

We found the diagram below on a pet insurance review blog. While it may be a bit over-simplified, it does make a good point:



3) ***Some basic things to remember when looking into insuring your pet's health.***

- ✓ Remember, insurance companies are for-profit endeavors. At the end of the day these companies need to take in more in premiums than they pay out in reimbursements (otherwise they won't be in business long). This means that insurance policies will have limitations. As a consumer you need to be aware of the limitations and conditions placed on your pet's policy. For example ***no plans cover pre-existing conditions***. Some will limit or decline coverage of inherited conditions, cancer, wellness or dental care. Some policy's rates vary with the age or breed of the pet, or change as your pet ages.
- ✓ Pet insurance companies work on a reimbursement system. In this system you pay the veterinary office out-of-pocket for all costs. You then submit a claim to the insurance company for reimbursement of covered services. This is quite different from human medical insurance where the doctor's office submits claims to the insurance company.
- ✓ Depending on the company, reimbursement amounts will be determined either as a percent of the actual vet bill incurred, or based on "usual and customary" charges. It appears that reimbursements as a percent of the actual vet bill is more popular in consumer reviews. Nonetheless, this is important to consider when comparing rates, deductibles and coverage variables.
- ✓ Deductibles (the amount you must pay, out-of-pocket, before the insurance company will begin reimbursing you for expenses) will vary from policy to policy. Usually, a higher deductible will get you a lower monthly rate for the same coverage. A good general rule: the deductible one chooses should not exceed the amount one could pay out of pocket.
- ✓ It's usually best to insure your pet when he/she is young and healthy to take advantage of lower rates (though these can change over time). Also you want to establish coverage before any major medical conditions arise that could be excluded as a "pre-existing condition".

- ✓ Insurance policies may have limits on how much it will pay for each incident/illness, per year, or over the life of the pet. This all plays into how much the coverage costs per month.
- ✓ If you have multiple pets, check to see if the insurance company offers discounts for multiple policies in the same family.
- ✓ Finally, the purchase of any pet insurance coverage should go hand-in-hand with a clear understanding of why you are buying it. Ultimately, one buys pet insurance for the peace of mind knowing you will be able to afford modern and advanced care if or when your pet needs it. For many pet owners that peace of mind is hard to put a price on.

4) Some websites that offer insights into the pet insurance industry and ``do some of the hard work of comparing the many options available.

<http://www.petinsurancereview.com>

This site is "...not owned or controlled by any pet insurance company." It has a nice section called "Pet Insurance 101" that reviews the key points to remember when purchasing pet insurance. This site also has some nice tables that compare many of the available plans, rates and features.

<http://www.consumersearch.com/pet-insurance>

This website contains some good detailed background information when one is in the "learning phase" of the pet insurance decision process. A "full report" section gives readers a fairly detailed overview of the industry. The "what to look for" section is a section that highlights specific issues that pet owners should be checking for when considering pet insurance. And finally a section that discusses their top three companies. This site draws information from other review sites as well.

<http://www.1800petinsurance.com/>

This site claims it "...is not owned or controlled by any pet insurance company. We are a pet insurance comparison and review website designed to provide pet owners with the information they need to make their own decisions regarding pet insurance."

<http://www.topconsumerreviews.com/pet-insurance/detailed-reviews.php>

This site claims to be "...an independent organization dedicated to bringing you unbiased reviews." It provides a brief overview of how pet insurance operates and reviews some of the more popular companies. The site is a bit cluttered with ads for unrelated products and services, but maybe a small price to pay for some good information.

5) Here is a list of the companies (in no particular order) currently offering pet health insurance in the US.

- **Hartville**
 - www.hartvillegroup.com
- **Embrace**
 - www.embracepetinsurance.com
- **Petfirst Healthcare**
 - www.petfirsthealthcare.com
- **Petplan USA**
 - www.gopetplan.com
- **Trupanion**
 - www.trupanionpetinsurance.com
- **VPI (Veterinary Pet Insurance)**
 - www.petinsurance.com
- **AKC (American Kennel Club)**
 - www.akcpethealthcare.com
- **Pets Best**
 - www.petsbest.com
- **24PetWatch**
 - www.24petwatch.com
- **PurinaCare**
 - www.purinacare.com
- **ASPCA (Association for the Prevention of Cruelty to Animals)**
 - www.aspcapetinsurance.com
- **Healthy Paws**
 - www.healthypawspetinsurance.com

See the next page for a list of some of the more popular companies based on consumer reviews...

Some of the more popular insurance companies based on consumer reviews (in no particular order). (Please be aware these are based on consumer/user reviews, not expert reviews. Redwood Veterinary Hospital does not endorse a specific company because each family has different needs and budgets. No company or policy is best for every situation. You should look at all your options and make the choice that's best for you and your pet(s).)

- ❖ **Pets Best**
- ❖ **Pet Plan**
- ❖ **Embrace**
- ❖ **Healthy Paws**
- ❖ **Trupanion**
- ❖ **PurinaCare**
- ❖ **Veterinary Pet Insurance, (VPI)** (While not in the top five in consumer reviews, this company has been around a long time and seems to have happy customers in our practice)

After you have narrowed your list to a few companies, use the worksheet on pages 8 and 9 to compare and organize the information on different pet health insurance companies. The company's individual websites (see page 6) are good sources for answering the questions in the worksheet. Also, check out www.petinsurancereview.com

Some final words...

No one can predict what the medical needs of their pet will be tomorrow, next week, or next year. Possibly the only thing we can be sure of is the continual growth in the sophistication, quality, and cost of veterinary medical care. While pet health insurance may not be the best choice for every pet owner, if the current trends continue, it may be the only way many families will be able to afford the quality healthcare they want for their pet.

Redwood Veterinary Hospital recommends pet owners consider pet health insurance. While the individual companies should be contacted with specific coverage questions, if we can be of any assistance, please call us (707) 553-1400.



COMPANY 						
Monthly cost						
What would cause the monthly cost to increase? (age, claim history, location of residence, other)						
Deductible options: -What is the deductible? -Can you choose your deductible? -Can it be changed? -Is deductible per event or per year?						
Are there reimbursement limits (per event, per body system, per year, lifetime?)						
Is reimbursement based on a percentage of the vet bill, or on "usual and customary " fees?						
What is the claim process and how quickly will I be reimbursed?						
Does coverage include only accidents, or is illness covered as well?						
Are certain conditions like cancer, hip dysplasia, chronic illnesses, congenital abnormalities excluded?						
Is coverage for wellness/preventative care Included or available?						

Table continued on next page...

COMPANY 						
Is coverage for dental care included or available?						
Can you use the veterinarian of your choice?						
Is the coverage available in California?						
What is the waiting period before coverage begins?						
Are all breeds covered?						
Are prescriptions covered?						
Are "end of life" issues covered? (euthanasia and disposition of remains)						
How does the company define "pre-existing condition"?						
Is there a maximum a minimum age for enrollment?						
Performance in consumer reviews						

NOTES: