

Considering Pet Insurance?

Bolton Veterinary Hospital

You may have heard of the concept of pet insurance and wondered if it is worthwhile for your pet... you might also have begun looking into it and become overwhelmed by all the companies offering it, and the lists of different plans and options. We're here to help - and we'll begin by telling you that this is an unbiased review of pet insurance. We promise you that any product or service we review in this blog is fair and balanced, un-tainted by sponsorship, and presented exclusively to help you decide what is best for your pet.



1. Pet insurance is like any other insurance: There is a monthly or yearly basic cost, and a co-pay and/or deductible paid per-event.

Just as your own insurance costs you "X" dollars per year and if you see the doctor there is a co-pay, pet insurance requires a basic monthly cost as well as a co-pay and/or deductible for a vet visit. These costs vary depending on your pet's age and breed, what area of the country you live in, and what kind of policy you choose. It is also possible that an annual or lifetime limit on payouts may be applied. Most companies have a website that can readily provide you with a price quote.



2. There are two basic types of pet insurance: Indemnity and Major Medical. Not all companies offer both.

Most pet insurance is meant to help a pet owner cover "indemnities" - the sudden and unexpected expenses of illnesses or injuries. Pet indemnity insurance is a lot like car insurance: if something goes wrong, a large portion of your bill is covered, but basic necessities are not accounted for. For a car,

basic necessities are things like gas, oil changes, and routine maintenance. For a pet, basic necessities are things like annual wellness exams, vaccines, and flea control products.

Major medical insurance for pets is much like human medical insurance. Whether you go to the people-doctor or the doggie-doctor for an annual physical or because you are sick, a large portion of the cost is covered by your insurance. Because major medical insurance covers more of your expenses, it generally costs more per month and/or has a higher deductible.

3. Unlike human insurance, you will pay up-front and then be reimbursed by your insurer.



With human insurance, we are accustomed to walking out the door after paying a small co-pay. Pet insurance generally does not work this way (there are a few rare exceptions). If your pet is hospitalized at a cost of \$800, you will need to pay your veterinarian this amount at the time of hospitalization. Your veterinarian will then help you submit a claim form, and a little while later, your pet insurance company should reimburse you some portion (or all) of this cost. How

much is reimbursed will vary with each company, and some have more straightforward rules than others.

4. There is NO pet insurance company that covers pre-existing conditions.

It makes sense, after all - You couldn't crash your car into a ditch and then try to buy insurance to get it repaired the day after. Pet insurance is no different. If your vet finds out your pet has a heart murmur and recommends he be evaluated for heart disease, you cannot buy insurance to cover diagnostics and treatment after the murmur is discovered.

Some companies will also exclude certain conditions based upon breed. For example, bulldogs are prone to develop breathing problems due to the shape of their head and face. Given the high likelihood of any bulldog having breathing problems, a pet insurance company may exclude coverage of this type of condition for all bulldogs. Different insurance companies may have very different coverage as far as hereditary (breed-related) conditions - be sure to research this (or adopt a mutt!).



5. You can use any veterinarian with any insurance.

Veterinarians have no silly rules about which pet insurance they will accept. It's all fine with us! It helps, though, if you bring a copy of your claim form with you so your veterinarian doesn't have to puzzle out what kind of paperwork you need (they're all different).

6. Your pet's lifestyle may affect their likelihood of illness or injury, and therefore the type of insurance your pet should have (if any).



An indoor-only cat doesn't lead a very treacherous lifestyle; by keeping your cat safely indoors, you've ruled out scores of illness and injuries that might otherwise affect her. On the other hand, a Labrador puppy is a furball of trouble on four legs, and you should probably plan for a lifetime of sock eating, ear infections, torn toenails, wildlife encounters, and maybe even a little jaunt out playing in traffic somewhere along the way (it happens!).

Some companies also offer coverage for exotic pets. Again, consider your pet's lifestyle: Are they likely to be injured? An adventurous parrot whose flight feathers are not clipped can find himself in quite a lot of trouble, whereas a hamster's life is generally far less perilous. Would the cost of treatment for an exotic pet affect your willingness to bring them to the vet if they become seriously ill?

7. You might be better served by saving up an "emergency fund" and skipping the insurance.

If you are a person who can stick with a budget and is generally responsible about your finances, the best course of action is to save up an emergency fund BEFORE you adopt a pet, so that you can proceed confidently knowing you are ready for anything. An emergency fund of \$1000 - \$2000 is a reasonable goal, and with over \$3000 you can comfortably cover the initial cost of just about any trouble your pet may run into.

Do these amounts sound terribly high? If that is the case, pet insurance may be a good choice for you, taking down your expenses to something along the lines of \$20 - \$50 per month. But hey - if you saved that \$50 per month, you'd have a generous emergency fund all set in a few years.



If this all sounds entirely out of reach, we hope you will honestly consider whether now is the right time for you to adopt a pet. When you adopt a pet, you take on a responsibility for their care, no matter what life brings. As veterinarians, we wish the question of money was never an issue, but for many pet owners, it becomes a deciding factor. We hope you never find yourself in that terribly difficult situation, because it's one we don't want to face either!

Still overwhelmed? Call, email, or visit your vet - they can help you decide the best course of action. You may also find the resources below helpful (current as of 2014).

[PetInsuranceReview.com](#) - An unbiased review of US and Canadian pet insurance companies (see the left sidebar for links to a summary of each insurer)

[PetPlan](#) - The world's largest pet insurance provider. Offers indemnity and major medical insurance. Hereditary conditions are covered.

[Healthy Paws Insurance](#) - Offers indemnity insurance only. Hereditary conditions are covered, except hip dysplasia in dogs who enroll after age six. No payout limits apply.

[Pets Best](#) - Offers indemnity and major medical insurance. Hereditary conditions have limited coverage.

[Trupanion](#) - Offers indemnity insurance only. Hereditary conditions are covered. Hip dysplasia is covered. No payout limits apply.

[AKC Pet HealthCare](#) - Offers indemnity and major medical insurance. Hereditary conditions are not covered.

[Embrace](#) - Offers indemnity and major medical insurance. Hereditary conditions may be covered.

[PetFirst Healthcare](#) - Offers indemnity and major medical insurance. Hereditary conditions may be covered. Addition of the chronic coverage rider is recommended.

[VPI](#) - The first and largest US-based pet insurance provider. Offers indemnity and major medical insurance. Hereditary conditions may be covered.

[24 PetWatch](#) - Offers indemnity insurance only. Hereditary conditions may be covered.

[PurinaCare](#) - Offers indemnity and major medical insurance.

[ASPCA Pet Health Insurance](#) - Offers indemnity and major medical insurance. Hereditary conditions may be covered.

[Protect Your Bubble](#) - Offers indemnity and major medical insurance. Hereditary conditions may be covered.

[Pet Premium](#) - Offers indemnity and major medical insurance. Hereditary conditions may be covered.

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