

Pet Health Insurance: What's Right for Your Pet?

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- It's important to take a hard look at your budget and decide what you need in an insurance policy.
- "Bare bones" plans typically offer coverage for illnesses and emergencies; "comprehensive" policies tend to include reimbursement for routine care as well.
- Make sure you know what any insurance policy excludes before you purchase one.

The Assurance of Pet Insurance

Pet insurance can help you budget for unforeseen medical expenses for your pet. Generally, the premium cost for a good policy is low compared with the relative peace of mind and financial help it can offer. Sorting through the various plan choices and options, however, can be daunting. Here are some tips to help you make sense of the process.

It's All About You

There is no cookie-cutter insurance policy that works for every pet owner. It's important to take a hard look at your budget and decide what you need in an insurance policy. For example, do you want help with paying for routine care, such as well visits and vaccinations, or are you more worried about being able to afford emergency care for accidents or sudden illnesses? Perhaps you want help with both. Different insurance companies have different benefits packages, and it is helpful to research them until you find the one that best matches what you want. "Bare bones" plans typically offer coverage for illnesses and emergencies, like being hit by a car or ingesting a poisonous substance; "comprehensive" policies tend to include reimbursement for routine care as well. In some cases, insurance reimbursement for routine care expenses over the course of a year can significantly defray the cost of the annual premium.

Read the Fine Print

Make sure you know what any insurance policy excludes before you purchase one. Find out what the prospective insurer's position is regarding preexisting or congenital (present since birth) conditions, and determine if there are any age limits for coverage. Some insurance companies won't cover pets over a certain age, which can leave your pet without coverage at a time when he or she may need it most. Other policies may charge more if you own a specific breed or live in certain areas of the country. Be sure the policy does not limit you in your choice of veterinarian and that it offers you coverage for any needed specialty care, such as a visit to a veterinary dermatologist or ophthalmologist.

Avoid Sticker Shock

To avoid surprises, find out how your prospective insurer sets premiums. Do they change from year to year or do they stay the same? For example, some companies offer low initial premium payments when

More Insurance Tips

- Find out how long the insurance company has been in business and how stable it is.
- The company's claim submission process should be user friendly. Are the claim forms clear and easy to use? Can they be faxed in? Can you submit multiple claims on one form?
- Does the company offer multi-pet discounts?
- Does the policy cover your pet when traveling or in the care of a pet sitter or neighbor?
- Does the policy offer any value-added features, such as coverage of kennel fees if you become sick or treatment of behavior issues?

Choices and Considerations

a pet is young but increase them exponentially as the pet ages. Others increase your premiums as you submit claims. Some policies also set high deductible limits, which is something to consider if you don't want to spend hundreds of dollars out of pocket before your coverage begins.

Assess True Value

The only way to assess the real value of your policy is to determine exactly what you'll get in return for your premium payments. A prospective insurer should be "transparent" about what they will pay for and how much they will cover. Find out if the company determines reimbursement based on a straight percentage of your bill, if it uses a customary fee schedule, or a combination of both. If the insurer uses a fee schedule, consider showing it to your veterinarian to make sure that what the insurance company considers to be a reasonable fee is in alignment with what your veterinarian actually charges. Otherwise, you could wind up paying a lot more out of pocket than you realize.

What's the Limit?

All insurers place a lifetime maximum on how much they will pay out for health care costs over the course of a pet's lifetime. So, even if the amount quoted seems generous, keep in mind that one or two major surgeries or illnesses over the course of a few years can really cut into that amount. Insurers also have different guidelines on how those limits are reached. For example, insurers may place limits on how much they will reimburse by claim, diagnosis,

or total incident. Generally, the simpler the guideline, the easier it will be for you to keep track of it and estimate what reimbursement you can expect.

Examining Exclusions

If your pet has a preexisting condition or belongs to a breed well known for specific health problems, such as hip dysplasia, selecting insurance can be a little more complicated. However, even if your pet's preexisting or congenital condition is excluded, pet insurance is still of value. It's important, though, to question company representatives carefully on how the presence of a preexisting or congenital condition may affect reimbursement for other types of problems that may be considered related. Be sure to get responses in writing.

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Some insurers will insure a pet for a preexisting condition if enough time has elapsed since the initial incident or a cure can be documented. These waiting periods, however, can be quite extended. Also be aware that some policies "reset" at renewal time, meaning that a chronic illness that has developed during the course of the year will be considered a preexisting condition that will no longer be covered.