

Illinois Department of Insurance Offers Tips When Shopping for Pet Health Insurance

Recent survey shows pet owners are concerned about high cost of veterinary care

CHICAGO - August 11, 2010. The Illinois Department of Insurance is offering tips to consumers interested in purchasing pet health insurance.

“As with any insurance product, a consumer should learn as much as possible about pet health insurance before signing a contract or paying any premium,” said Michael T. McRaith, Director of the Illinois Department of Insurance. “Pet health insurance coverage and costs – including deductibles – can vary widely depending on a pet’s breed and age, so consumers should know exactly what they need and what they are buying.”

A recent survey by Associated Press/Petside.com showed that consumers are concerned about the high cost of caring for a sick or injured canine or feline companion. In fact, 4 out of 10 pet owners surveyed were worried that health care for a sick dog or cat would be unaffordable.

The Department offers the following advice to consumers interested in pet health insurance:

Review Your Options and Compare Benefits Among Policies.

- **Covered conditions.** Pet health insurance coverage can be split into four general categories: accidents, illnesses, wellness and additional benefits.
 - Accident coverage is the most basic type of pet insurance, reimbursing you for treatments related to unexpected accidents and injuries to your pet.
 - Illness coverage covers services that relate to an illness your pet may contract.
 - Wellness coverage is an option for pet owners who want more comprehensive insurance coverage, and it insures everyday veterinarian expenses, as well as preventative care.
 - Some pet insurance policies may also cover additional benefits unrelated to the other categories, such as advertising and reward reimbursement, loss by theft or straying, and burial or cremation expenses.
- **Pre-existing Conditions.** Ask about pre-existing conditions and review the policy to see if they are covered. You should also check to see if hereditary and congenital conditions are considered pre-existing conditions under your policy.
- **Continuing coverage for chronic or long-term conditions.** If your pet is treated for a covered condition during the policy term, some companies will consider that condition a pre-existing condition when the policy renews and will exclude coverage or charge a significantly higher premium 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, or treatment of behavioral problems.
- **Reimbursement.** The insurance company will either reimburse you for a set percentage of your bill or use a benefit schedule to determine payment. Make sure you understand how the policy makes payments. Most pet insurance policies require you to first pay the veterinarian out of your own pocket, and then file a claim with the insurance company to be reimbursed directly.
- **Choosing your Veterinarian.** Most pet insurance providers permit you to visit any licensed veterinarian, including general, specialist, and emergency veterinarians. You should check whether your policy allows this, or whether it requires you to stay within a certain veterinarian network.

Ask Your Insurance Agent or Company to Explain Plan Details.

- Can I choose any vet?
- What is and is not covered? Remember the general four categories of coverage (accident, illness, wellness and additional benefits).
- Is there a per-incident limit for accidents or illnesses?
- Are there annual or lifetime limits?
- Will I be reimbursed by a certain percentage amount or according to a benefit schedule?
- Is there a waiting period before coverage becomes effective?
- If my pet has a pre-existing condition or chronic condition, how is that covered or excluded?
- Does the policy have continuous coverage for long-term conditions?
- How long does the company take to pay claims?

The Department is also issuing a fact sheet to inform consumers who are interested in purchasing pet health insurance. The consumer fact sheet is available at the Department's website, <http://insurance.illinois.gov>, or by clicking [here](#).

More Information

The Department's mission is to protect consumers by providing assistance and information, by efficiently regulating the insurance industry's market behavior and financial solvency, and by fostering a competitive insurance marketplace. The Department assists consumers with all insurance complaints, including health, auto, life, and homeowner. Consumers in need of information or assistance should visit the Department's Web site at <http://insurance.illinois.gov> or call our toll-free hotline at (877) 527-9431.