



CONSIDER PET INSURANCE FOR YOUR NEW FAMILY MEMBER

There is a peace of mind that comes from being covered by health insurance. Not only because we'll receive necessary medical attention during an illness or injury, but also because health insurance takes on much of the financial burden when it comes to paying medical bills. Most of us wouldn't think twice about making sure some type of health insurance covers our human family members. But what about our pets?

How important is pet insurance?

Pet owners in the United States are spending more and more on their pets. In the past decade there has been a shift in how we view our pets. No longer are they simply animals living in the backyard, but cherished members of the family. We spend more on our pet's food, grooming, toys, and yes, we'll be the first to admit, funny Halloween costumes. And while the pet industry continues to grow, only a small portion is spent on pet insurance. Most of us know annual checkups for our pets are important, but what if your pet ends up needing a complicated surgery or procedure from a specialist? Are you prepared for an emergency injury? Are you investing in your pet's future health?

Just as in human health, having pet insurance ensures that our furry friend will be covered when they need it the most. You're buying protection against a disaster you hope will never happen and the peace of mind you'll have in knowing that, if it does, your pet's health — or even survival — will not depend on how big your savings account has gotten.

Oftentimes, pet owners without pet insurance tend to hold off visiting the veterinarian unless they see a serious warning sign. Pet owners are often forced to make difficult decisions based on which treatments or procedures fit their budget. It's always heartbreaking when a pet with a treatable disease or injury needs to be put down. On the flip side, pet owners who have insured pets are quick to visit their veterinarian at the first signs of trouble and are more willing to say "Yes" to necessary treatments since they know they'll have financial support.

Bottom line: insured pets receive more veterinary care, which can contribute to our four-legged friends living longer, healthier lives. That's why it is an important part of our service to educate our clients about the value of pet insurance and how to choose the right plan.

PET INSURANCE 101

The options for pet insurance are growing every day and can be confusing. Here is an overview of what it is and what it is not, how it works, and key terms you need to know to make the right pet insurance decision for you and your pet.

WHAT IS PET INSURANCE?

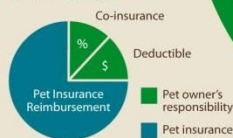
WHAT IT IS

Pet insurance is coverage for veterinary bills due to unexpected accidents or illnesses.

PET OWNERS WITH PET INSURANCE BY COUNTRY¹



TYPICAL VET BILL



PRE-EXISTING CONDITIONS

An illness or condition which first occurred or displayed signs prior to pet insurance coverage.



WHAT IT IS NOT

Pet insurance is not an investment or a health savings plan.

WHY CONSIDER IT?

Though we don't like to think about it, most pets get hurt or sick at some point in their lives.

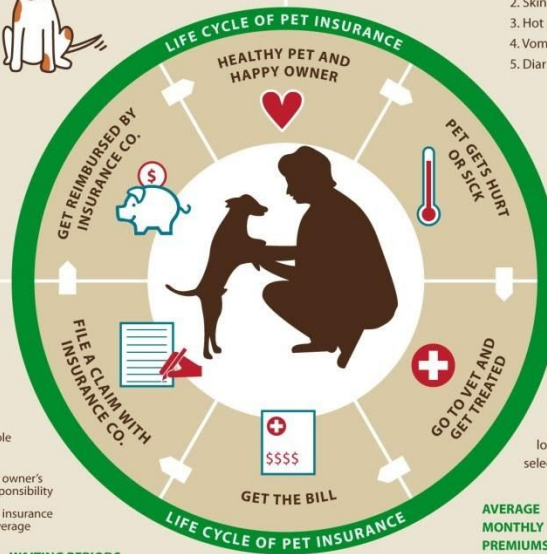
MOST COMMON HEALTH PROBLEMS WITH PETS³

DOGS

1. Ear infections
2. Skin allergies
3. Hot spots
4. Vomiting
5. Diarrhea

CATS

1. Lower urinary tract problems
2. Vomiting
3. Chronic kidney failure
4. Hyperthyroidism
5. Diabetes



\$2500

Starting vet bill for a dog's torn knee ligament⁴

PREMIUMS

The monthly cost for pet insurance. This will change by type and breed of pet, location, age of pet and the selected coverage plan.

AVERAGE MONTHLY PREMIUMS⁵

Cats • \$12-\$36

Dogs • \$25-\$65

DEDUCTIBLE

The portion of the vet bill the pet owner is responsible for before the pet insurance provider will start payment.

CO-INSURANCE

The percentage of the vet bill the pet owner is responsible for versus what the pet insurance provider will pay.

PET INSURANCE CHECKLIST

Compare policy features, terms and conditions to find the right pet insurance policy for you AND your pet's needs — know what you're buying!

- Is the policy and information easy to understand?
- Find out what IS covered and what IS NOT covered by the different policies. Which policy fits your needs the best?
- What are the co-insurance and deductible options for the policy? Will this fit your financial situation if you need to file a claim?
- Does the company pay out based on the actual vet bill or by a benefit schedule? Understand the difference.
- Are there coverage limits per incident, per year, per lifetime? If so, understand what they are.
- Are conditions that were diagnosed one year considered pre-existing conditions the next year?
- Is the company licensed in your state and do they have a good reputation? Ask your vet and read reviews.



HOW DOES IT WORK?

HOW MUCH DOES IT COST?

Sited Resources: 1. "Coverage That Cares." Veterinary Economics Aug. 2010: 26. Web. 5 Jan. 2012. 2. Doherty, Chris. "Part 3: 2011 Pet Owner Survey - Pet Insurance and Medical Expenses." Focus Magazine Nov/Dec 2011, Vol. 30, no.644. 3. Based on American Pet Insurance Company compiled data from currently insured pets and claims trends from 2008 through 2011. 4. "How Much Does Dog TPLO Surgery Cost?" VetInfo. 02 Feb. 2012. <http://www.vetinfo.com/how-much-does-dog-tplo-surgery-cost.html>.

Other Resources: 1. Berthoff, Amanda. "Focusing on Pet Insurance: The Myths and Truths." Veterinary Economics. DVM360, 1 May 2009. Web. 06 Jan. 2012. <http://veterinarybusiness.dvm360.com/vetec/article/articleDetail.jsp?id=596671>. 2. DVM360. "20 Questions to Help You Choose a Pet Insurance Provider." 8 Mar. 2011. Web. 2 Jan. 2012. <http://veterinarybusiness.dvm360.com/vetec/data/articlestandard/vetec/112011/710968/article.pdf>. 3. "Pet Insurance Claims: Make a Pet Insurance Claim." MyMoneyHelp.com. Web. 06 Jan. 2012. <http://www.mymoneyhelp.com/education-center/insurance/pet-insurance/pet-insurance-claims.shtml>. 4. "Pet Insurance." Wikipedia. Web. 06 Jan. 2012. http://en.wikipedia.org/wiki/Pet_insurance. 5. "Ask the pet health insurer these questions." Washington State Office of the Commissioner. 06 Jan. 2012. <http://www.insurance.wa.gov/consumer/other/ask-pet-insurer-questions.shtml>.

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Things to consider when choosing a pet insurance provider and plan

1. Are you allowed to choose your preferred veterinarian, specialist, and/or emergency facility?
2. Does your pet have a pre-existing condition?
3. Is your pet's breed prone to a specific condition or illness?
4. Are you able to customize your deductible and reimbursement level?
5. Does the pet insurer offer additional coverage options like annual wellness checkups?
6. Does the pet insurer offer multiple pet discounts?
7. Do you understand the provider's claims/reimbursement process?

Need help choosing a pet insurance provider and plan?

With many choices available, it's smart to shop around for pet insurance. Don't just look at one or two features, though! Make sure you take a comprehensive look when comparing.

Not sure where to start? Here are a few of the major players in the industry (though there are others, and we encourage you to seek out the best plan for your needs):

- 24PetWatch
- ASPCA
- Embrace
- Healthy Paws
- Nationwide
- PetFirst
- PetPlan
- Pets Best
- Trupanion
- Veterinary Pet Insurance

Let's give our furry family members the best care possible!