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[pet insurance](#)



Would you be willing to go into debt to pay for your pet's medical care? Pet insurance is now rendering that difficult and emotional decision obsolete for many animal owners.

As the economy continues to struggle and veterinary medicine becomes more sophisticated, pet owners are insuring their animals so they can provide comprehensive medical coverage should the need arise.

"It's more important now than ever," says Darren Defeo, Senior Vice President of [Trupanion](#), a Seattle-based pet insurance company. "Pets are now considered part of the family. With budget being a concern for any family, a [large], unexpected medical expense for your pet can turn into a financial burden."

A growing trend

While pet insurance is already prevalent in Europe, less than three percent of pet owners in the United States currently have coverage for their animals – but that is changing. It is estimated that since 2002, the number of insured pets in the United States has doubled.

A major factor for the increase is that advances in medical technology have made treatment for animals more extensive and obtainable for pet owners. Joint replacement, for example, is now considered a common procedure, and one that many dog owners will may need to consider as their pet ages.

Also, diagnostic procedures such as blood testing, CAT scans, and MRIs that used to be exclusive to human medicine, are now available to identify illnesses in animals. Chemotherapy, dialysis, and blood transfusions for pets, which were once unheard of in the veterinary community, are options that pet owners now have as well.

However, just like with people, such care comes with a price tag, oftentimes an expensive one.

"Veterinarians don't have the luxury of asking an animal about their illness," Defeo said. "More and more they are turning toward diagnostic treatment. It's very helpful, but costly."

Weighing the costs

Charlie Hunter, 41, found out just how expensive diagnosis and treatment can be when his beloved golden retriever, Alex, contracted [lymphoma](#). After his veterinarian was unable to diagnosis the disorder initially, Hunter took Alex to a specialist, who, through the use of ultra sound, found a massive tumor on the dog's lungs.

Hunter then made the difficult decision to pay for chemotherapy to prolong his dog's life. Although Alex's health has improved, the treatment has created a financial strain for Hunter that will most likely last longer than the remaining life of his dog.

Hunter estimates that he has incurred approximately \$16,000 in medical bills in the last six months on diagnosis and treatment for Alex. Without insurance, and not a wealthy person by any means, Hunter was forced to finance the medical care on his credit card.

"I tell all my clients to get pet insurance," said Hunter, whose love of animals extends to his own dog walking business in San Francisco. "Money shouldn't be an issue. The life and death of your pet should never have to come down to a decision about money."

The basics

Just like any other type of insurance, pet policies vary depending on cost of premiums, amount of coverage, cap limits, exclusions and the age and breed of a pet. One standard in the pet industry is that most insurers will let you choose any licensed veterinarian.

"High-deductible" pet insurance policies are popular in that they offer lower premiums for pet owners who are concerned about major procedures, yet can afford to pay for preventative care or minor procedures out of pocket.

Last fall the [American Animal Hospital Association](#) began awarding a "[Seal of Acceptance](#)" for policies that meet their criteria in order to encourage providers to offer affordable coverage to a greater number of pet owners. Trupanion became the first pet insurance company to receive the "Seal" by meeting the following five conditions:

1. The high-deductible policy must provide coverage, benefits, and exclusions equal to those of other insurance policies offered by the provider.
2. Insurance policies must be underwritten by companies with an A.M. best rating of B+ or better.
3. The company must be licensed in all 50 states, or in the process of becoming licensed in all 50 states.
4. A specific insurance policy, rather than the company, will receive the seal and policies will be reevaluated annually.
5. The owner of the policy must be able to see the veterinarian of his or her choice.

As pet insurance companies continue to meet these standards and the industry continues to grow, agents will be challenged to dispel many of the preconceived notions and skepticism that consumers commonly have when it comes to buying any type of insurance.

"Many people have had some not so pleasant experiences with insurance companies in the past," Defeo said. "It is our responsibility to educate the consumer so that they feel confident knowing that their pet's medical care will be taken care of."

Source URL (retrieved on 05/28/2013 - 12:07): <http://www.webvet.com/main/2008/11/24/pet-insurance-overview>