

Know Your Benefits



Brought to you by: Weadock and Associates, LLC

Voluntary Benefits: Pet Insurance

If you consider your pet to be an important part of your home and family, you're likely willing to spend a great deal to ensure your pet's health and well-being. In addition to the costs of food, grooming, training, toys, vaccinations and other regular expenses, veterinary care for sudden illness or injury can impact your budget. Pet insurance is a product offered by some employers as a voluntary benefit to protect you from high, unexpected veterinary bills.

What Is Pet Insurance?

Pet insurance provides coverage for pet illnesses and accidents. These plans are somewhat similar to your own health insurance plan, but with more focus on unforeseen medical incidents rather than routine preventive visits. Most pet plans cover dogs and cats, though some may cover other animals, such as chameleons, chinchillas, geckos, gerbils, goats, mice, lizards, hamsters, potbellied pigs, rabbits, rats, snakes and tortoises.

As veterinary technology adopts advanced diagnostic and treatment tools already used for people, such as MRIs and organ transplants, the possibility of saving your pet from life-threatening injury and disease has increased. However, the cost of veterinary care has risen as well. Having pet insurance can provide you with the ability to say "yes" to a costly but life-saving operation for your pet.

What Does Pet Insurance Cover?

Plans will cover different illnesses and conditions, but most are generally focused on non-routine care and will cover a new illness, disease or injury. Listed below are a few examples of the conditions pet insurance might cover:

- Eye and ear infections
- Cancer
- Arthritis
- Diabetes
- Tumors
- Broken leg
- Lyme disease

Pet insurance policies will also specify expenses that they will not cover. While every plan is different, the following are items that are typically excluded:

- Elective procedures
- Prosthetic limbs
- Grooming
- Training or behavioral problems
- Pre-existing conditions
- Breeding
- Burial-related expenses

Some plans will cover chronic or hereditary conditions, but others will specifically exclude these even if they are diagnosed after

your policy begins.

If wellness, preventive or routine care is covered, it will usually be offered as a separate package that can be added on for an additional premium, although the extra amount might almost double the regular premium in some cases.

How Does Pet Insurance Work?

Like your own health insurance, you pay a premium for your pet's insurance policy and then the insurance will pay the specified amount when you submit a claim. Because this is a voluntary benefit through your employer, premiums will likely be paid through a payroll deduction, and you will probably pay a reduced premium due to a group rate. You should check with your plan to see if there are any restrictions on which veterinarians you may visit.

When you submit a claim for reimbursement, the charges will typically be subject to a deductible and coinsurance or copayment. Many plans allow you to choose from several different levels of deductibles and coinsurances, which will affect the premium; for example, if you choose a higher deductible, you will pay a lower premium. Some plans may only cover amounts up to a certain maximum for each type of disease or procedure. Additionally, the plan may have an annual or lifetime benefit maximum.

Waiting periods may prohibit certain conditions from being covered for a designated length of time. For example, if your dog suffers from a chronic condition that is covered by the policy, your insurance plan may stipulate a waiting period of six months before it will pay for related care.

Although most pet owners budget for routine care, surprise accidents and illnesses can be costly. If you're a pet owner who would spend any amount to save your animal friend, pet insurance might be a good option to protect your finances from unexpected vet bills.

This Know Your Benefits article is provided by Weadock and Associates, LLC and is to be used for informational purposes only and is not intended to replace the advice of an insurance professional. © 2013, 2020 Zywave, Inc. All rights reserved.