Pet Insurance Primer For Veterinary Professionals

Getting Started Poll

- I don’t know enough about pet insurance to recommend it to my clients; that’s why I’m attending this webinar.

- I have a display of pet insurance company brochures in my hospital in case a client asks about pet insurance and we even include a brochure in new puppy and kitten kits.

- My staff and I verbally talk about and recommend pet insurance to our clients.

- I recommend my clients open a savings account to help pay for their pet’s healthcare expenses rather than buying pet insurance.
My Story

History of Pet Health Insurance

Sweden – 1924  (50% of pets insured)

Great Britain – 1947  (30% pets insured)

United States – 1982  (1% pets insured)

Canada – 1989  (1-3% pets insured)
History of Pet Insurance in U.S.

<table>
<thead>
<tr>
<th>Company</th>
<th>Date Started</th>
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<tbody>
<tr>
<td>VPI</td>
<td>1982</td>
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<tr>
<td>Hartville (ASPCA)</td>
<td>1997</td>
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<td>24 Petwatch</td>
<td>1999</td>
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<td>AKC</td>
<td>2003</td>
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<td>PetFirst</td>
<td>2004</td>
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<td>Pet’s Best</td>
<td>2005</td>
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<td>Petplan</td>
<td>2006</td>
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<td>Embrace</td>
<td>2006</td>
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<td>Trupanion</td>
<td>2008</td>
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<td>PurinaCare</td>
<td>2008</td>
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<tr>
<td>Healthy Paws</td>
<td>2010</td>
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<tr>
<td>Pet Premium</td>
<td>2013</td>
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<td>Figo</td>
<td>2015</td>
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Changes In The Past Decade

- Reimbursing a flat % of invoice vs. benefit schedule or UCR
- Coverage for hereditary conditions
- Coverage for chronic conditions
- Increased customization of policies
Quote Example - Dog  
(Healthy Paws)

Customize your plan to fit your budget

Sam, Age 2, Small Mixed Breed (11 - 30 lbs)

Select a reimbursement level:
- 90%
- 80%
- 70%

You selected:
- 90%
- $250 Annual Deductible

$31.45/month
$14.34 in annual savings

Quote Example - Cat  
(Healthy Paws)

Customize your plan to fit your budget

Tiger, Age 2, Domestic Short Hair

Select a reimbursement level:
- 90%
- 80%
- 70%

You selected:
- 90%
- $250 Annual Deductible

$23.02/month
$10.01 in annual savings
History of Pet Health Insurance

Started VPI in 1982

Started Pet’s Best in 2005

Dr. Jack Stephens

History of Pet Health Insurance

Lassie - first dog insured in U.S. with Dr. Jack Stephens and Los Angeles Mayor Tom Bradley - 1982
Economic Euthanasia

A Disease In Need of Prevention

Dr. Barry Kipperman

“I've seen far more animals die as a result of their owners' inability to afford recommended medical care than due to fleas, prostatic disease, pyometra, and mammary cancer combined.” (June 01, 2004 – DVM magazine)
“As an ER vet, I’ve had to euthanize literally thousands of pets due to finances, and I’m sick of it. There’s always been a big disconnect between what veterinary medicine can do for animals to keep them healthy, or even alive, and what it actually does do – largely because of out-of-pocket expense for care. Pet insurance makes it so pet owners can say “yes” to caring for their pet’s medical needs rather than have to euthanize them due to money.
Cost of Care

Pets Best pet insurance company reviewed their claims over $500 to determine where the pets were treated and found that:

- 54% treated at Regular Veterinarian
- 35% treated at Specialty Hospital
- 11% treated at Emergency Hospital

Costs of Care

Dr Jason Nicholas
Costs of Care

“Until the day arrives when most of us take the time to discuss the costs of medical care with our clients, I will continue to feel saddened and responsible when the next pet owner in my exam room looks up at me through tears and states, ‘I had no idea it would ever cost this much to save my dog’s life’”.

DVM Magazine June 1, 2004

Example: New cancer treatments for pets
Cost of Care

✓ 1 in 3 pet owners will make an unplanned and unbudgeted trip to the veterinarian each year for an accident or illness.

✓ Every 6 seconds a pet owner is presented with a veterinary bill that exceeds $3,000 and many of these pets aren’t insured.

✓ About 10% of claims exceed $1,000.

✓ 40% of insured pets develop a chronic condition that lasts beyond 12 months.

✓ Pets under 1 year of age are 2.5 times as likely to be subjects of an insurance claim as pet of any other age.

Costs of Care

How to pay for veterinary healthcare:

• Available credit
• Savings account
• Pet insurance policy
Pet Health Insurance
vs.
Pet Health Savings Account

Laura Bennett
CoFounder, CEO
Embrace Pet Insurance

Pet Health Insurance
vs.
Pet Health Savings Account

Pet insurance helps pet owners bridge the gap financially when the unplanned and unexpected occur before they have adequate savings in reserve.

“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.” -- Tom Collins; Blog Paws article
Pet Health Insurance vs. Pet Health Savings Account

Right Philosophy About Pet Insurance
2016 NAPHIA Study

Question asked of 506 U.S. and Canadian Veterinarians:

Which of the following best describes your opinion of pet health insurance?

- 56% Wish all clients had PHI
- 41% Makes no difference if client has PHI
- 3% Wish none of clients had PHI

** 85% of Canadian veterinarians wish all clients had PHI

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2016 NAPHIA Study

Likely increase in pet health insurance enrollment with a veterinary recommendation:

+50%
Benefits of Promoting Pet Health Insurance In Your Practice

Clients with pet health insurance:

- Had a 41% higher stop-treatment level
- Scheduled 40% more veterinary visits
- Spent twice as much on veterinary care over the life of their pet

**Veterinary Pet Insurance (VPI) Pet Owner and Client Survey 2006**

Benefits of Promoting Pet Health Insurance In Your Practice

Clients with insured pets spend more annually than clients with uninsured pets.

- Dogs + 29%
- Cats + 81%

2016 NAPHIA Study
Benefits of Promoting Pet Health Insurance In Your Practice

Having more insured patients allows you to practice medicine and surgery the way you were trained to do and increases client compliance with your recommendations.

Dr. Heather Steyn, Owner
Advanced Animal Care of Colorado

Passive Recommendation          Active Recommendation

- Brochures in reception area
- Brochures in puppy/kitten kits
- Answer questions when asked

- Designated pet insurance liaison(s)
- Pay for pet insurance for staff
- Link on website
- Ask clients if they have pet health insurance
- Hand brochures to clients and encourage them to explore PHI
- Offer trial policies
- Educate clients about PHI whether asked or not
- Offer help filling out claim form and filing claim.
Offering Pet Insurance As An Employee Benefit

- Eliminate IRS concerns about employee discounts.
- Charge regular fees rather than discounted fees for your services. This also allows doctors to be fully compensated for the care they provide when treating the staff’s pets.
- Help employees afford emergency and specialty care.
- Reduce employee accounts receivables.
- Create a coveted benefit that sets you apart and reduce staff turnover.
- Helps employees see the benefit of pet insurance so they can speak from experience when talking with clients.

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Recommending Pet Insurance To Your Clients

- Make your clients aware of the costs of veterinary healthcare and ways they can pay for it including credit options like CareCredit, savings account, and a pet health insurance policy.
- You do the research and chose 1 or 2 companies to recommend to your clients.
- Recommend pet insurance and let the client do the research and choose a company.
Avoiding Managed Care

(2016 NAPHIA Study)

To determine how prevalent the fear of managed care is, U.S. (422) and Canadian (83) veterinarians were asked whether or not they agreed with the following statement:

“PHI companies will have too much influence in the veterinary profession if it becomes commonplace.”

Only 5% agreed – this seems to indicate that perhaps pet health insurance is becoming more widely accepted and managed care isn’t as feared by veterinarians as many of us have been led to believe.

Avoiding Managed Care

- Don’t join networks that are predicated on bringing you more clients.

- Don’t provide discounts to groups for increased business. Offer discounts and free care only for individual cases you choose to do so.

- Don’t accept a third party (company) telling you how to practice, setting fees or the level of care to provide.
Avoiding Managed Care

Veterinarians in positions of influence in the pet insurance industry:

Dr. Jack Stephens
Founder VPI & Pets Best
Retired

Dr. Steve Weinrauch
Chief Product Officer
Trupanion Pet Insurance
Avoiding Managed Care

Veterinarians in positions of influence in the pet insurance industry:

Dr. Jules Benson
VP of Veterinary Services
Petplan Pet Insurance

Dr. Carol McConnell
Chief Veterinary Officer
Nationwide (VPI) Pet Insurance
Avoiding Managed Care

Veterinarians in positions of influence in the pet insurance industry:

Dr. Tony Johnson, DACVECC
Medical Advisory Board
Figo Pet Insurance

Avoiding Managed Care

Veterinarians in positions of influence in the pet insurance industry:

Dr. Debra Primovic
Medvet Emergency
Veterinary Advisor
Embrace Pet Insurance
Avoiding Managed Care

Veterinarians in positions of influence in the pet insurance industry:

Dr. Barden Greenfield, DAVDC
Memphis Veterinary Specialist
Advisor on dental diseases
Trupanion Pet Insurance

Dr. Mary Beth Leininger
Former AVMA President
VP of Veterinary Relations
ASPCA Pet Insurance
Petplan Partnership With HSUS

HSVMA members can offer their clients a 10% discount when they sign up for a Petplan policy online.

Shelters can offer adopters a 10% discount on a Petplan policy when they sign up online.

Email: veterinary.services@gopetplan.com

HSVMA members and their staff can get a 10% discount on a Petplan policy for their personal pets.

petplanbenefits.com

Choosing A Company – 5 Step Method

1) Get a quote
2) Read reviews
3) Read a sample policy
4) Call/Email company with questions
5) Choose a company
Resources

A Veterinarian’s Guide to Pet Health Insurance

Press Kit
Driving Growth of Pet Health Insurance
Research Report 2016

Petplan
Pet insurance

DR. DOUG KENNEY
Author of "A Different Kind of Veterinarian"

DR. DOUG KENNEY
Author of "Pet Health Insurance: A Veterinarian’s Perspective"

DR. DOUG KENNEY
Author of "Pet Insurance Isn’t Just for People Anymore"
Resources

Pet Insurance Guide Podcast

Health Insurance Isn’t Just For People Anymore

petinsuranceguidepodcast.com

Categories: Veterinarians

Questions?