



TRENDS IN VETERINARY NURSING

What Veterinary Nurses Need to Know About Pet Insurance

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Many years ago, my sweet cat became very ill. Not only was I worried about what was wrong, but I was also quite concerned about how I would afford his care. Fast forward several years, and I found pet insurance. Suddenly there was another option—a way to care for my pets with fewer limitations.



So, when my lovable dog recently became ill, I didn't worry when I received the cost estimate. I could give him the best care without having to agonize over how I would pay for it. Pet insurance gives me the freedom to care for my pets in a way that I never could before. But how do you know if pet insurance is right for you and your clients?

Many people don't know that pet insurance exists; of those who do, some believe the benefits aren't worth the cost or that it isn't affordable. As people become more aware of the benefits of pet health insurance, more options become available, which can become overwhelming for some. The reality is that major medical issues, accidents, and emergencies often happen suddenly, without warning, leaving pet owners struggling to afford veterinary care. As professionals entrusted to care for beloved pets, it often falls to veterinary team members to help clients understand the cost of care and how they can finance it.

THE RISING COST AND SLIM MARGINS OF VETERINARY CARE

The cost of veterinary care has increased significantly in the last 10 years.¹ There are more pets in American homes than ever before.² A greater demand for veterinarians and other veterinary professionals has resulted in staffing shortages, leading to increasingly competitive wages, an expense that gets passed on to pet owners. Specialty, urgent, and emergency care and advanced technology drive clinic expenses even higher. The average cost to run a 2-doctor practice has been



FREEDOM TO CARE

Pet insurance allowed the author to prioritize quality of care over cost considerations for her cat Hercules (above) and dog Miles (left).

estimated at approximately \$35 000 per month, the bulk of which is used to meet the overhead cost of running the clinic.³ Most small clinics average a 12.5% profit margin, while emergency and specialty clinics average a 15% profit margin.⁴ To put this into perspective, the profit margins for some of America's most successful businesses, such as Diamondback Energy, Johnson & Johnson, and Airbnb, average 37% to 48%.⁵ We know how much it costs to run a successful clinic, but helping pet owners understand may help them accept the prices set for services. It may also garner some empathy for those of us in the field,

TABLE 1 Cost Estimates for Small Animal Emergency Veterinary Care*

PRESENTING COMPLAINT	POSSIBLE DIAGNOSES/TREATMENTS	COST ESTIMATE
Vomiting and/or diarrhea	Foreign body ingestion requiring surgery	\$5000-\$7000
Vomiting and/or diarrhea	Pancreatitis, metabolic or immune disease	\$3000-\$6000
Toxin ingestion	Nonsteroidal anti-inflammatory drugs, xylitol, or rat poison requiring hospitalization and intense supportive care	\$2500-\$3500
Seizure, new onset	Neurologic disease requiring advanced imaging	\$5000-\$7000
Respiratory distress	Primary heart disease	\$2000-\$4000
Respiratory distress	Primary airway or lung pathology	\$4000-\$8000
Trauma	Hit by car, dog attack	\$6000-\$8000
Distended abdomen, abdominal pain	Gastric dilatation-volvulus requiring surgical correction and gastropexy	\$6000-\$9000
Urinary obstruction	Primarily feline, due to urinary crystals or stones	\$1500-\$3000
Heat stroke	Requiring hospitalization and intense supportive care	\$2500-\$3500
Anaphylaxis	Bee sting, spider bite, medication reaction	\$1000-\$2000

*Estimates provided by Matthew Crawford-Jennings, DVM, at the North Carolina State University Veterinary Teaching Hospital.



BOX 1

Pet Owner Financial Survey Results*6

- 91%** of pet owners reported experiencing financial stress
- 66%** of pet owners reported cutting back on expenses, such as personal shopping and dining out
- 65%** of pet owners reported asking their family or friends for money
- 33%** of pet owners got a second job or another source of income
- 47%** of pet owners went into debt
- 66%** of pet owners made cuts to basic necessities, such as food and personal health care
- 55%** of pet owners delayed veterinary care
- 48%** of pet owners made decisions about personal educational opportunities based on the cost of their pet's care
- 16%** of pet owners could not afford to spay or neuter their pet

*Blueprint surveyed 1000 dog owners over the course of 1 year

highlighting the fact that very little of the revenue ends up in our pockets. But understanding the cost does not guarantee affordability, which is why pet insurance could be an excellent option for many pet owners.

THE CLIENT COST OF ACCIDENTS AND EMERGENCIES

While routine care for a well pet is something most owners can plan for, they should also have a plan in place for when the unexpected occurs. Matthew Crawford-Jennings, DVM, an emergency and critical care resident at the North Carolina State University Veterinary Teaching Hospital, outlines in **TABLE 1** estimates given to clients for common accidents and emergencies.

Would your everyday client be able to afford these prices? One could search for less expensive care, but cheaper veterinary care may equate to a lower quality of care; the delay in treatment in an emergency could be harmful to pets. Would a client need to make a life-or-death decision based on the cost of care? How many of us have watched our clients face this impossible ethical dilemma? A recent survey questioned

how the cost of veterinary care impacts peoples' lives, with results presented in **BOX 1**.⁶

THE PROS AND CONS OF VETERINARY TOURISM

Some pet owners do try to seek less expensive care by shopping around; some are even turning to veterinary tourism. In 2018, Anna Ginsky created a veterinary tourism company when she found that she could have her pet's dental work done in Tijuana, Mexico, for far less money than in the United States.⁷ Mexivet Express connects pet owners with team members who guide them through the steps to have their pet cared for by a Mexico-based veterinarian. Mexico's lower labor and real estate costs compared to those in the United States, as well as the fact that veterinarians there are not required to hold medical malpractice insurance, means that these clinics can charge much less for routine dental care, simple surgeries, treatment for some cancers, and more.

But is this really the best option? Consider the stress on the pet, who has to journey to and from Mexico with a stranger. Pet owners must also be aware that the veterinary clinic they choose may employ different standards of veterinary care than they might expect, as well as the possibility of hidden costs should complications arise. This option may work for some, but most pet owners want help a little closer to home.

THE ROLE OF PET INSURANCE

Enter pet insurance. The first pet-specific policies were drafted in the 1890s by Claes Virgin, mostly for horses and livestock.⁸ The first policy for a dog was created by Nationwide in 1982 (then called veterinary pet insurance) for TV legend Lassie.⁸ As of 2023, just shy of 5 million out of roughly 150 million U.S. pets are covered by pet insurance.⁸ It has become widely available, and it can help mitigate the cost of veterinary care, especially in cases of unexpected illness or emergencies. Most policies are paid monthly, offer direct reimbursement to policyholders, and have no limitations on in-network versus out-of-network providers. Some companies even pay veterinary clinics directly.

Pet insurance allows pet owners to choose care based on their desire to make their pet feel better, rather than the cost of that care. For veterinary clinics, from a purely financial perspective, pet insurance means clients will

authorize more extensive care and be able to pay for it. From a perspective of someone working in the veterinary profession, the ethical and emotional toll of having to lower our standard of care or to be asked to end a pet's life due to financial issues leaves most veterinary professionals feeling unsatisfied, depressed, and often guilty. In a profession plagued with mental health issues and high suicide rates, wouldn't it be amazing if we could always follow our passion to provide the highest-quality, compassionate care for pets? Pet insurance offers a step in that direction.

HOW PET INSURANCE WORKS

The policies mentioned in this article are mainly for dogs and cats; however, policies may be available for horses and exotic pets through a select few companies. Most pet insurance companies offer fully customizable plans, allowing customers to choose the deductibles, coinsurance rates, and policy limits that best fit their needs. Premiums are calculated based on many factors, including a pet's age, breed, and geographic location. Many companies provide coverage for dental illness and injury; bodily injuries; alternative therapies; and illness, including behavioral, congenital, and hereditary conditions (after company-specific waiting periods). Specialty and emergency care, advanced diagnostics and imaging, and even some prescription diets may also be covered. It is also becoming more likely for plans to offer coverage for curable preexisting conditions, after a specified asymptomatic waiting period.

Some exclusions should be considered before clients choose a plan. Some plans have an upper age limit, and some base plans do not cover examinations. Some preexisting conditions will never be covered, and waiting periods for accidents, illnesses, and a variety of other conditions may vary. Waiting periods are company-specific and highly variable. Consistent exclusions among most companies researched include any care relating to obedience training; breeding and whelping; elective, cosmetic, and experimental procedures; genetic testing or technology; and nonveterinary fees (e.g., bank fees, taxes).

Select policies will not cover bilateral conditions (those that may affect either side of the body; e.g., hip and elbow dysplasia, cataracts, luxating patellas, cruciate ligament injuries). If a pet was diagnosed with a cruciate ligament injury to a knee prior to a policy taking effect, it will not cover the same condition in the other knee at any future date. Some policies may fully



Have clients also check for added incentives; multi-pet, military and first responder, and professional discounts may be offered, as well as savings if a client pays quarterly or annually.

deny coverage for these conditions, even if the first incidence occurs after the policy takes effect.

For most companies, wellness or routine care coverage may be available. For puppies and kittens, these plans are worth looking into. Puppies receive 9 to 18 vaccinations⁹ and kittens 7 to 12 vaccinations between 8 weeks and 1 year of age.¹⁰ Add several puppy or kitten exams, spay or neuter surgery, and parasite preventives, and suddenly a client's wallet is decidedly lighter. A wellness plan may lessen the out-of-pocket expense of caring for a new pet.

SELECTING A PET INSURANCE PLAN

So how does a client choose the company that's right for them when there are so many options? Discuss with clients the need to research the coverage options, including benefits, limitations, and exclusions that fit their budget and coverage preferences. Encourage clients to compare the plan(s) offered (e.g., accident only, accident/illness), premium rates, deductibles, coinsurance, and policy limits. Have clients also check for added incentives; multi-pet, military and first responder, and professional discounts may be offered, as well as savings if a client pays quarterly or annually. Guide clients to explore what customers are saying about the companies; their experiences may inform a client's decision. A client may also inquire whether the policies are guaranteed renewable (i.e., insurer cannot cancel a policy or refuse to renew due to certain conditions or their pet's age).

Something else to check out: Some employers may offer pet insurance (or discounts on pet insurance) as an optional benefit. For example, a company called Pet Plan works almost identically to a person's own

**TABLE 2 A Comparison of Various Pet Insurance Providers^a**

PET INSURANCE COMPANY	EXAMS INCLUDED	POLICY LIMITS	WELLNESS AVAILABLE	THERAPEUTIC FOOD ^b	UPPER AGE LIMIT
AKC Pet Insurance	Add-on	Variable	Yes	y/d only	No
Animalia ^f	Yes	Variable	No	Yes	No
ASPCA Pet Health Insurance ^h	Yes	Variable	Yes	Yes	No
Careplus by Chewy	Varies	Variable	Yes	n/a	No
Doggo	Yes	Variable	Yes	Yes	No
Embrace Pet Insurance	Yes	Variable	Yes	Yes	No
Felix	Yes	Variable	Yes	Limited	No
Fetch Pet Insurance	Yes	Variable	Yes	No	No
Figo Pet Insurance	Add-on	Variable	Yes	Limited	No
Fursure	Yes	Variable	Yes	No	10 years
Hartville Pet Insurance	Yes	Variable	Yes	Yes	No
Healthy Paws	No	No	No	No	14 years
Lemonade	Add-on	Variable	Yes	Limited	No
Many Pets	Yes	No	Yes	No	14 years
Metlife Pet Insurance ^j	Yes	Variable	Yes	Yes	No
Nationwide ^k	Yes	Variable	Yes	Yes	10 years
Paw Darling	Yes	\$20 000	No	Unknown ^l	No
Paw Protect	Yes	Variable	Yes	No	5 years
Pet's Best	Yes	Variable	Yes	Limited	No
Prudent Pet	Add-on	Variable	Yes	Limited	No
Pumpkin	Yes	Variable	Yes	Yes	No
Spot Pet Insurance	Yes	Variable	Yes	Yes	No
Trupanion	No	Unlimited	No	Yes	14 years
Trusted Pals ^m	Yes	Variable	Yes	Limited	No
Wagmo	Yes	Variable	Yes	No	No

^aAll information contained in this table may be found on individual websites. For specific questions regarding policies and coverage, please contact the insurance company directly.

^bCoverage for therapeutic food is often only available if the food is the only treatment available for a covered condition.

^cWaiting periods are for accidents/illness; longer wait periods may apply for certain conditions.

^dMost states allow a 5% discount for military personnel, veterinary students, veterinary professionals, first responders, and service animals (not available in New York or Tennessee).

^eMust be asymptomatic for specified waiting period before coverage begins

^fAdd-ons include extensive dental coverage and up to \$100 for pet ambulance.

^gEuthanasia is covered when recommended by a veterinarian; however, no burial or cremation services are covered.

^hCoverage for horses is available; information for ASPCA was obtained with permission from Tina T. Kageyama, RVT, veterinary sales representative in San Francisco, California.

ⁱLimited to partner companies' coverage (Trupanion and Lemonade)

^jPartnered with ASPCA; offers a shared deductible for up to 3 pets

^kPlans for exotic pets are available.

^lCoverage could not be verified.

employer-provided health insurance. The employer chooses the variables, such as deductibles and plan limits, and the pet owner purchases a policy directly through their employer. Another company, Pet Partners, may also be integrated with any benefit or administrative software, allowing payroll deductions and the opportunity for the employer to contribute.

There are countless online comparison tools clients can use to conduct their research, such as Pawlicy Advisor (pawlicy.com) and Wag! (wagwalking.com). While

these tools may help narrow down a client's choices, most include only a selection of companies. This article provides general information on many available insurance companies, so you can better advise clients. **TABLE 2** shows how some of the most popular and/or well-established companies measure up to each other with a few caveats outlined below.

- Deductibles with Trupanion are charged per incident, not annually—excellent news for chronic conditions; however, for accidents or transient illnesses, this may not be as cost-effective.

PREEXISTING COVERAGE	WAITING PERIOD ^c	DISCOUNT(S) ^d	24/7 HELPLINE	DENTAL COVERAGE	END-OF-LIFE COVERAGE
1 year ^e	Variable	Multi-pet, 5%	Yes	Add-on	Add-on
12 months ^e	5 days	Multi-pet, 5%	Yes	Yes	Yes ^g
6 months ^e	2 weeks	Multi-pet, 10%	Poison control	Add-on	Yes
No	2-5 days	Multi-pet, variable	Yes	Dental illness	Limited ⁱ
No	14 days	Multi-pet, 10%	No	Dental illness	Yes ^g
1 year ^e	14 days	Multi-pet, 10%	Yes	Dental illness	Yes
12 months ^e	Variable	Multi-pet, 5%	Yes	Add-on	Yes
12 months ^e	None	If paid quarterly or annually	Yes	Yes	Yes
12 months ^e	1 day	Multi-pet, 5%; military, 5%	Yes	Dental illness	Yes
18 months ^e	14 days	Multi-pet, 5%	No	Dental illness	Yes ^g
180 days ^e	14 days	Multi-pet, 10%	Yes	Dental illness	Yes
No	15 days	None	No	No	Yes
No	2-14 days	Multi-pet, 5%; pay annually, 5%	Add-on	Add-on	Add-on
18 months ^e	None	None	Yes	Dental illness	Yes
180 days ^e	None	Multi-pet, 5%; military/ professional, 10%	No	Dental illness	Limited
No	14 days	Multi-pet, 5% (2-3 pets), 10% (4 or more)	Yes	Dental illness	Yes
No	15 days	Multi-pet, 10%	Yes	Add-on	Unknown ⁱ
12 months ^e	2 weeks	Multi-pet, 10%; military, 5%	Yes	Dental illness	Yes
1 year ^e	3-14 days	Multi-pet, 5%	Yes	Yes	Yes ^g
1 year ^e	14 days	Multi-pet, 10%	Yes	Dental illness	Add-on
180 days ^e	14 days	Multi-pet, 10%	No	Dental illness	Yes
180 days ^e	14 days	Multi-pet, 10%	Yes	Dental illness	Yes
No	Variable	Service animals	No	Dental illness	Add-on
No	14 days	Multi-pet, 5%	No	Add-on	Yes
No	Variable	Multi-pet, 10%	Yes	Add-on	Yes

- Trupanion, Prudent Pet, AKC pet insurance, Figo, Healthy Paws, Careplus by Chewy, and Lemonade do not cover exams or only cover exams if this feature is added to the policy for an additional cost.
- Trupanion, Careplus by Chewy, Pet's Best, Healthy Paws, and Fursure have options to pay the veterinary clinic directly.
- Metlife offers a multi-pet shared deductible option for up to 3 pets.
- ASPCA, Pet Assure, and Nationwide offer coverage for horses.

SUMMARY

In today's financial climate, it is so important for pet owners to plan for unexpected expenses. Taking excellent care of one's furry family member should not have to depend on how much it will cost. With pet insurance, it doesn't have to. It is now possible for a client to choose a plan that is completely tailored to their and their pet's unique needs and circumstances. With a bit of research and planning, a client's pet can be more protected than you ever thought possible.

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