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SLASH **Your** **Veterinary Bills**



Pet Insurance
is NOT the Answer!

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Chapter 3

Why Pet Insurance Is Often Useless

Consumer Reports and Readers Digest, two very trusted national publications both agree, “pet insurance is rarely worth the price.” For this evaluation they looked at over 5 different pet insurance plans and came to the same conclusion.

Forbes magazine, a popular financial magazine has said it is one of the “most complicated” systems for consumers to figure out.

They went on to say “buying a policy may end up increasing a pet owner’s total expenditures on veterinary care by thousands of dollars.”

Also, just a quick search of the Internet for “pet insurance reviews” will show you that many people are frustrated and confused about their pet insurance plans.

Pet Insurance companies make their money on the fact that most pets are healthy. Their advertisements want you to think you are paying for piece of mind.

Also they get you to buy it because they “want you to make a choice with your heart, not your pocketbook.” This is guilty advertising, it makes you look like a bad pet owner if you don’t pay up for their policies.

They will tell you that pet insurance should not be viewed as a return on an investment. Which is very true, but the way pet

insurance is advertised, as a money saver, people cannot help but view it that way. Again they want you to buy it so you have piece of mind.

Get Something Back

Often times the pet insurance companies think you will be satisfied with getting something back. For instance, getting a \$100 dollars off a \$300 bill.

Once you factor in how much you pay a month you see it is often not the best deal. Factor in the co-pays and deductibles and you are still often faced with a large bill when you thought you had pet insurance.

Pre-existing Conditions and Genetic Conditions

Add in the confusion over what is a pre-existing condition. Say your dog had diarrhea before the policy and then a month later came down with diarrhea from something else costing another \$200. The pet insurance company could very likely claim this is a pre-existing condition. Forcing you to pay again.

If your pet has a chronic disease that affects many body systems, like Addison's or kidney disease, then it is very easy for the company to claim that this week's problem is a related condition and therefore not covered.

Many times in order to be covered for a condition; the pet has to be free from it for over one year. This can be hard to do in cases of diarrhea or ear infections; two of the most common causes of veterinary visits.

To Many Choices

There are many companies that offer pet insurance plans, and each has multiple plans to choose from. There are so many



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options to choose from: Do you want routine care coverage, prescription drug coverage, a high deductible or a low? Do you want accidental insurance, illness coverage, or wellness coverage?

With so many choices, no wonder there is mass confusion and frustration with pet insurance.

Filling Out Forms Yourself

Also remember unlike human health insurance, you have to pay the veterinarian first in most cases and then fill out the forms yourself to get reimbursed.

The reimbursements from most insurance companies are notoriously slow, as they check for any way to get out of paying for the claim. Meanwhile you have to sit, wait, and hope.

It Can Be Hard To Even Qualify or Keep It Once You Qualify

Many times it can be impossible to even qualify for pet insurance. Your dog and cat have to be less than a certain age, usually less than 6 to 8 years old depending on the plan.

If you do manage to qualify for a plan, you have to be careful not to make too many claims. The more claims you have, the higher your bill, a thing known as **bonus malus schemes**. Simply put, if you try to collect any money from your insurance company, often times your rate will go up, because they feel you are also more likely to make a claim in the future.

Genetic Conditions

Many genetic conditions of purebred dogs are not covered and cancers that the insurance company consider genetic in origin may not be covered as well.

Also, they have they have a category they call breed specific conditions too. If you have a breed of dog that is prone to a condition like hip dysplasia it is often not even covered.

Let's Make It More Difficult

At renewal time the insurance company can cut off coverage for chronic illnesses that have developed over time. For example if your dog developed a recurring ear infection, at renewal time your insurance company could decide they will not cover that condition any more for your dog, because it is a "chronic condition."

Remember there are also waiting periods normally when you start a plan as well. Waiting periods can vary from 14 days to up to one year! This can seem like an eternity.

Also don't forget that you will have annual raises in your premium each year due to the fact that your pet ages.

Breeders should also be aware that most times, pregnancies and whelping aren't covered; two of the largest veterinary expenses that breeders incur.

But My Insurance Covers Routine Stuff Like Vaccines and Spays

One selling point of many plans are that vaccines are covered. This is fine, but with the trend that most pet vaccines are being given every three years instead of every year, there isn't much of a savings to be had.



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You end up paying premiums for three years, just to get some free vaccines. This does not make much of a wise financial decision.

Another selling point is that the pet insurance plan will pay to have your dog or cat spayed/neutered. This is fine, but how many times do you need to spay your dog or neuter your cat? After how many months of paying a \$40 insurance premium, could you have just paid for it yourself?

Do You Make Your Money Back?

With annual limits, lifetime limits, deductibles, and co-pays it can be hard to ever see much money back. For example, you have to pay the deductible, say \$100 and then the co-pay say 25%, which can end up being a lot of money.

Also many plans reimburse you on a benefit schedule. This means there is a set rate paid for a procedure (for example a spay). If the procedure costs \$350 dollars, but the benefit schedule only pays you \$250 dollars, you have to pay the \$100 difference, if there is no deductible or co-pay.

But like it was stated at the beginning of this book, veterinary care rises at two to three times the rate of inflation, so many benefit schedules will pay you much less than what the procedure costs.

Also, if you live in an expensive part of town, your veterinarian will charge more for the procedure. So you will still not be fully compensated on a benefit schedule.

Tip: Don't make a claim during a waiting period or else the condition will count as a pre-existing condition and therefore not covered.

Do You End Up Getting Charged More?

Many pet insurance companies approach veterinarians to help sell plans to clients. One selling point is that if the client has insurance, then the veterinarian can charge the pet owner more.

So with pet insurance even though you may “get something back” does it justify the monthly payments for 11 years for a dog or 20 years for a cat?

So then if pet insurance is not the answer, what is?

Get the whole book here:

<http://www.slashyourveterinarybills.com>