

Is Pet Insurance Worth the Cost?

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Pet insurance has the potential to save lives.

Thomas, Bella and Tara have agreed to yield the podium to me so I can speak about something really important: pet insurance.

A Facebook group I'm involved in recently had a long discussion about the merits of pet insurance, so I figure they're not the only ones with questions. Maybe you have questions, too, so I'm going to start the discussion here. My short answer: Pet insurance is definitely worth the cost, and here's why.

A little history

If you were reading Paws and Effect five years ago, you'll remember the story of my Dahlia, who [became critically ill with cancer](#). She was only six years old, so it was totally unexpected. I spent several thousand dollars on her care—a combination of Care Credit, other credit cards, and donations from friends of Paws and Effect. I swore I'd never again be in the position where I had to max out credit cards and beg for help just so my cats could get needed veterinary care. But I didn't know how I'd do that, until my best friend told me about this thing called pet insurance.

I'd never heard of pet insurance, so I took the time to do some research. Unfortunately, I came out of that research even more confused than I was before.

After I moved to Seattle in 2013, I got a job at a pet insurance company. I'm not going to say which one, because that's irrelevant. I worked there for two years and trust me when I say I learned a lot about the subject.

[What does pet insurance do?](#)

Quite simply, it protects you from risks, like any other insurance. You pay your premiums every month, and if you need to use it, you file a claim and hopefully get reimbursed.

[What does pet insurance not do?](#)

Very few pet insurance companies provide coverage for preventive or routine care. Routine care typically includes things like checkups, vaccinations, spay and neuter, and dental cleanings. But most insurance is like that. Your car insurance doesn't cover oil changes and tire rotations, for example.

Pet insurance also does not cover pre-existing conditions. A pre-existing condition is one that showed signs or symptoms (even in the absence of an official diagnosis) prior to the policy's start date or during the waiting period. Again, this is like most other insurance: You can't call Allstate and buy a homeowners' insurance policy while your house is on fire and expect to be covered.

[Why doesn't pet insurance cover preventive care?](#)

This goes back to the subject of protection from risks. You can budget for your cat's routine care, but nobody anticipates big expenses like, say, cancer

treatment. Some companies provide coverage for wellness care with a rider (additional coverage that comes at an extra cost), but I frankly don't think the cost of a wellness care rider is worth it in the long run.

Why shouldn't I just save money for vet care instead?

Good question, and one that a lot of people ask. If you start a savings account, you may have another emergency that requires the money you've saved for your cat's care. And what happens if you start saving, say, \$50 a month, and six months into your savings, you get hit with a \$5,000 vet bill? Three hundred dollars isn't going to go too far in that case.

Then there's the fact that not a lot of people have extra money to put into a savings account.

I'm one of those people who just manages to make ends meet, and by the time I've paid for my basic living expenses, I don't have a whole bunch of money to chuck into a savings account. For me, pet insurance is worth the cost because if I'm putting that \$50 a month toward one cat's insurance premiums, then I can rest assured in the knowledge that if that cat does require expensive care, I only need to provide a percentage of that cost.

Of course, you know your financial situation better than I do, so think about these points and see if they make sense for you.

Pet insurance prevents "financial euthanasia"

There's nothing sadder than knowing you simply can't afford the treatment that would save your cat's life. It'll leave you sick at heart if you ever find yourself in that position. Trust me, I was almost there with Dahlia, and the thought of having to euthanize her just because I didn't have the money for further treatment filled me with gut-wrenching grief. (She ended up getting so sick that euthanasia was a humane option rather than one driven by finances, but nonetheless...)

When I worked at the pet insurance company, I saw the insurance saving lives every. Single. Day. Policyholders called my department when their dog or cat got really sick, asking for emergency pre-approvals for care. These people often said there was no way they could afford the treatment without the insurance. The vast majority of the time, we could say "yes."

When should I insure my cat?

Your premiums will be lower in the long run if you insure your cat while she's still young. You're much less likely to run up against the pre-existing condition problem if you insure a young and healthy cat, too. That's not to say it's not worth it to insure older cats—I got Thomas's policy when he was 12, and even though his monthly premium is twice that of Bella and Tara's, it's already paying for itself with the monitoring and treatment of his kidney disease.

What questions should I ask?

I recommend that you ask about what the policy doesn't cover, and make sure you understand that. Also, be sure you understand why and how often your premiums could change. (Spoiler: Premiums almost always go up each year, no matter which company you use, but that's par for the course for every insurance company.) Each pet insurance company's policy is different.

Many pet insurance companies offer the option of enrolling online, but I'd advise against it. Instead, I'd recommend that you call the company's customer care department to get the answers to your questions, and keep asking until you understand the answers.

Understand, though, that *no customer care agent is going to be able to definitively tell you, "yes, that's covered."* They're not legally allowed to guarantee coverage because a) they're not claims adjustors and they don't have the training to do so; and b) whether or not a condition is going to be covered is dependent on your cat's medical history.

What company should I use for my cat's insurance?

I'm not going to make specific recommendations because I couldn't do so in an unbiased way. I really like my cats' policies, and I understand them very well because they're through the company I worked for.

However, there is a great resource available for people considering pet insurance, and that is [Pet Insurance University](#). This website is operated by an independent veterinarian who has compiled information about every policy available in the U.S. and Canada. He describes the benefits and "gotchas" of every policy in a way that ordinary people can understand, and this site will go miles and miles toward helping you make an informed decision.

Do you have any other questions about pet insurance? Please ask them in the comments, and I'll answer them as best I can. If you have pet insurance, please share your stories, whether they're good or bad.