

Good morning, Chairman Boyle and Chairwoman Pickett and members of the House Insurance Committee. My name is Tom Munkittrick and I am the current President of the Pennsylvania Veterinary Medical Association (“PVMA”) and the Medical Director at VCA Willow Mill Animal Hospital in Mechanicsburg. I want to take this opportunity to thank you for allowing me to testify regarding our support for House Bill 660.

PVMA supports the American Veterinary Medical Association’s Pet Health Insurance Policy. AVMA endorses the concept of pet health insurance that provides coverage to help defray the cost of veterinary medical care and encourages veterinary healthcare teams to proactively educate their clients about the existence of such resources. We recognize that viable pet health insurance programs may be an important approach for the veterinary profession to continue to provide high quality veterinary services.

Pet health insurance policies should include:

1. Require a veterinarian-client-patient relationship.
2. Allow policy holders to choose their own veterinarians, including specialists and emergency and critical care facilities.
3. Never interfere with the veterinarian's fee structures.
4. Be approved by the state insurance regulatory agency where the policy is sold.
5. Be consistent with the Principles of Veterinary Medical Ethics and the pet health insurance industry ethical standards.
6. Use licensed veterinarians to assist in claims adjudication.
7. Be clear about policy limits, pricing structures, and optional coverage (eg, coverage for annual wellness visits) that might be available to policy holders.

8. Be transparent about how the terms and conditions of plans will impact coverage and costs, including the financial obligations of policy holders such as co-pays, deductibles, and exclusions.
9. Communicate clearly about the fee reimbursement process (i.e., how reimbursements are determined and how quickly reimbursements are provided to policy holders).

Allow me to speak about my experience with pet insurance in my veterinary practice. Small animal pet insurance is beneficial to my clients and patients, although a low percentage of clients use pet insurance. With the rising cost of pet care, pet insurance can offset many costs to client, especially to our aging patients. Pet insurance can help by offsetting some or most of the costs of diagnosing, treating and managing a pet's illness or injury. However, every company's plan is different between coverage and billing and most plans do not cover routine preventative care such as vaccines and heartworm preventative. Additionally, some plans do not cover the cost of a physical exam. An insurance provider should clearly spell out to individuals the details, including limitations and exclusions, of coverage for routine and/or wellness care, as well as emergency treatments and conditions that require extensive care.

Furthermore, I have noticed that premiums can change due to demographics and patients' age (town to town). Insurance companies can increase premiums up to 30% per year even without a claim the prior year. We encourage our clients to find out how their premiums will increase as their pet ages or if you make any claims. We also encourage our clients to find out what charges, including co-pays, deductibles, add on charges and other fees may apply so they fully understand the policy and its limitations.

I hope you have found my testimony helpful. Thank you again for the opportunity to testify and I am happy to answer any questions you may have for me.