



10626 YORK ROAD
Cockeysville, MD 21030
410-252-VETS
WWW.PET-ER.NET

House Bill 647

Property and Casualty Insurance – Pet Insurance – Regulation

Outline: This bill establishes a regulatory framework for pet insurance by generally adopting the National Association of Insurance Commissioner pet insurance model act. By June 1, 2025, the Maryland Insurance Administration (MIA) must develop informational material about pet insurance policies that may be disseminated to and posted by veterinary practitioners in the State. The Insurance Commissioner may adopt regulations to implement the bill.

Position: Favorable

Comments:

The average annual cost of owning a dog is about \$1,400, and cat ownership costs about \$1,150. But that cost doesn't include unexpected vet bills for problems like ingested foreign objects or cancer. One in three pets need emergency veterinary treatment every year and a pet receives emergency care every 2.5 seconds in the U.S.

About 66% of U.S. households have a pet as of 2023. How many pet owners have insurance? About 4% of dogs are insured and about 1% of cats.

My name is Adam Alfano and I am the hospital director of Pet+ER in Hunt Valley. The average cost per visit to our facility is \$1,000. We operate one of the largest animal hospitals in the State of Maryland and are home to several specialty practices aside from our ER. Our hospital sees over 1,000 patients each month, the vast majority of patients do not have insurance.

While this bill doesn't directly affect the number of insured pets that come to our facility, it does lay the foundation for a future with more insured pets. Conforming to a nationally recognized standard as outlined in HB 647, will provide clear guidelines and communication for consumers.

Provisions that are important in both the human and pet world are pre-existing conditions and in the pet world, genetic conditions. The model limits how insurers can deny pet insurance claims related to preexisting conditions of covered pets. And the onus is put on the insurer to prove those preexisting condition limitation applies. The model codifies several consumer protections related to policy renewals, required disclosures of waiting periods, policy limits, conditions, benefit schedules, and more. Robust disclosures allow consumers to affirmatively choose the policy that is best for them in a world with dozens of available options.

I hope this bill is the start to a future with more pets insured in the State of Maryland. Having more insured pets allows our hospitals to practice best-in-class medicine and be innovators in pet medicine. Maryland already has an excellent reputation for innovation in human medicine and it seems only natural that we would do the same for our pets.

Thank you for your time,
Adam Alfano
Hospital Director