



Senate Finance Committee
HB0647 – Pet Insurance Regulation – Favorable

On behalf of the Maryland Veterinary Medical Association, we urge a favorable report of HB647. We are pleased to see this proposal to clarify for many pet owners what is a continual source of question. As veterinarians we counsel clients commonly on making sure to clearly understand the policy coverage options afforded to them when they purchase pet insurance. As veterinarians we feel strongly that insurance coverage programs should not change, and they should continue to be a system based on financial remuneration to the owner of the policy. As such, it is critical that pet owners can be confident they will receive this financial remuneration in a predictable and timely manner.

We believe HB647 provides necessary clarity and standardization while maintaining the current structure of payment that prevents veterinary providers from taking on the burden of insurance reporting. Additionally, the legislation threads the needle appropriately of requiring the policy to pay as promised without limiting, prohibiting or in any other way prescribing exactly what the policy must cover.

Our interpretation of this bill is that insurance companies can continue to offer various coverage options of their choice to consumers, but the statute would require that the benefits be clearly delineated and when the promise of coverage is made it simply must be kept.

We appreciate that clarification of the difference between pet insurance plans and patient care plans is sometimes necessary. Providing a standard for doing so does not limit the ability for veterinary practitioners to provide such plans to their clients nor does it prohibit a client from obtaining insurance coverage along with a wellness plan. We support this initiative because the language of the bill appears to set sights specifically on consumer protection without hindrance of the current insurance structures already available. Additionally, it does not add regulatory burden to veterinary practices that are typically small businesses incapable of processing claims.

We urge a favorable report of HB0647.