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Uploaded by: Jennifer Bevan-Dangel

Position: FAV



**March 27, 2024**

**Finance Committee**

**HB647**

***Property and Casualty Insurance – Pet Insurance – Regulation***  
**FAVORABLE**

The Humane Society of the United States, Maryland Votes for Animals, and the Professional Animal Workers of Maryland urge a favorable report on HB 647, which would create more transparency in pet insurance policies.

For some pet owners, pet health insurance may allow them to obtain necessary and often critical veterinary treatment for their pets that they may not have been able to afford otherwise. While pet insurance is sadly not available to all owners due to cost, promoting awareness of and utilization of pet health insurance is a positive for pets and owners as it can help address some of the access to veterinary care concerns facing people across the state.

Pet health insurance is typically most valuable in covering unexpected and expensive veterinary care such as emergency needs or treatment of serious medical illness. However, when owners do not understand the coverage that their policy will provide, it can leave them with unexpected bills that they are not prepared for – a problem compounded by the fact that they were relying on their insurance to weather those expenses.

Shelters are experiencing historically high levels of surrenders, and euthanasia rates are rising again for the first time in many years. Many of these surrenders are due to economic hardship, including an inability to afford veterinary care. Owners who are counting on their pet insurance to help them cover the costs of care deserve transparency in what, exactly, their policies will cover, so that they can best plan for providing necessary treatment to their beloved pets.

Anything that can be done to reduce pet surrenders due to economic pressures will improve outcomes for shelters, pets, and the people who love them. We urge a favorable report on HB647.

*For more information contact Jennifer Bevan-Dangel, Maryland State Director  
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# **HB 647 - Support - Del Guyton (Senate).pdf**

Uploaded by: Michele Guyton

Position: FAV

MICHELE GUYTON  
Legislative District 42B  
Baltimore County

Environment and Transportation  
Committee



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THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

March 27, 2024

**Support HB647 – Property and Casualty Insurance – Pet Insurance - Regulations**

Dear Chair Beidle and Members of the Finance Committee,

I respectfully request a favorable report on HB647, which will establish regulations for pet insurance in Maryland. This bill is modeled from the National Association of Insurance Commissioners (NAIC) Pet Insurance Model and provides transparency and clarity for consumers.

This framework creates clear definitions for terms that are commonly used when purchasing pet insurance. The framework also establishes what must be disclosed to the purchaser ranging from policy exclusions and expected consumer contribution to possible coverage reductions.

We have worked with the Maryland Insurance Administration to craft the NAIC's language to fit Marylanders' needs. It should also be noted that Maryland was one of 14 states along with the District of Columbia that was a part of the Pet Insurance Working Group, along with the National Association of Insurance Commissioners, the American Veterinary Association and the American Property Casualty Insurance Association which drafted the language I adopted in this bill.

Maryland shelters continue to be over capacity and high medical costs are a primary reason that families surrender animals to shelters. By moving HB647 forward in the Finance Committee, you will open the door for more consumer transparency and confidence AND help Marylanders keep and protect their pets.

Sincerely,

A handwritten signature in cursive script that reads "Delegate Michele Guyton".

Delegate Michele Guyton

# **Senate FIN Pet Insurance Bill 3.27.24.pdf**

Uploaded by: Morgan Mills

Position: FAV



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.