

# Pet Insurance: A Win-Win-Win for Pets, Pet Owners, & Veterinary Teams



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The primary goal for veterinary professionals is to provide patients with the best medicine possible. Unfortunately, the reality of veterinary medicine is that clients often cannot afford the best possible medicine and may avoid authorizing or even seeking care due to financial constraints.<sup>1</sup> As these client financial constraints obviously impact the health of pets, they may also contribute to moral distress, burnout, and high suicide rates among veterinarians and veterinary team members; a cross-sectional survey of 1,122 small animal veterinarians showed that 57% believe client economic limitations affect their ability to care for patients on a daily basis, and 49% cited client economic limitations as a contributing factor to burnout.<sup>2</sup>

Insurance could be the answer to providing better care for pets while simultaneously improving staff well-being. One study demonstrated that insured pets come to the veterinary clinic ~50% more often than uninsured pets, with owners spending ~30% more per year on insured dogs and ~80% more per year on insured cats.<sup>3</sup> A separate study found that owners of insured dogs spend \$211 more a year on veterinary services than owners of uninsured dogs.<sup>4</sup> These findings suggest that pet insurance may mitigate the financial stresses affecting pet owners, which may also improve the well-being of veterinary team members. The Zoetis Outcomes Research Team conducted a survey to determine whether owners of dogs insured through Pumpkin pet insurance experienced similar benefits.

## Study Description & Methodology

This 2-part survey of 3 veterinary practices

examined medical transactions conducted between 2019 and 2020; transactions involving pets enrolled in Pumpkin were studied both before and after enrollment to look for changes in the level of care that pets received. These transactions were also compared with transactions involving pets never enrolled in pet insurance. In addition, team members were surveyed to learn about their experiences with Pumpkin pet insurance.

The study aimed to determine the influence of Pumpkin pet insurance on 4 key parameters. Three of the parameters assessed the quality of care pets received: annual number of hospital visits per pet, per-visit hospital spending, and annual pet owner spending per pet. The fourth parameter addressed the client experience and assessed veterinary team members' perceptions of the effects of Pumpkin on acceptance of care and clients' hospital visit experience.

## Study Findings

The study findings demonstrated an increase in annual veterinary visits after a pet was enrolled in Pumpkin. Prior to enrollment, pets visited the veterinarian an average of 2.3 times per year; this increased to 2.8 visits per year after enrollment, reflecting a 22% increase. When compared with pets that were never insured, Pumpkin-insured pets visited veterinary hospitals 65% more per year. Owners with Pumpkin insurance are apparently more likely to seek veterinary care for potential injuries and illnesses instead of foregoing care for these issues. More frequent visits can increase the likelihood of early detection and diagnosis of medical issues.

As the frequency of visits increased, per-visit veterinary spending also increased. Not only did patients enrolled in Pumpkin pet insurance see the veterinarian more regularly, but their owners spent an average of 20% more at each visit. This increased spending undoubtedly benefits veterinary practices; it also means the insured pets are likely receiving the diagnostics and treatments recommended by their veterinarian, whereas their owners were likely declining some services prior to enrolling in Pumpkin.

Considering the increase in visit frequency and per-veterinary spending, clients enrolled in Pumpkin pet insurance spent more on their pets' veterinary care. Annual spending for pets enrolled in Pumpkin was 43% higher than pre-enrollment spending and 72% higher than annual spending on pets that were never enrolled in pet insurance. This increased level of spending reflects the



increased level of care that is received by these pets, with fewer services declined by pet owners due to financial factors.

When surveyed, most veterinary team members felt that they were able to offer better care to pets with Pumpkin insurance (73%) and that clients with Pumpkin insurance were more accepting of veterinary recommendations and less hesitant to proceed with recommended care (82%). These clients elected a higher level of care and also seemed to be happier clients. Sixty-four percent of the team members surveyed felt that pet owners with Pumpkin insurance had a better hospital visit experience, likely because they were less anxious about the cost of veterinary care.

### Pet Insurance: How Does It Help Veterinary Teams?

Although the benefits of pet insurance for clients and pets are readily apparent, the benefits of pet insurance for the veterinary team may be less intuitive. It is important to discuss and evaluate these benefits, however, to help team members understand the benefits of discussing pet insurance with veterinary clients.

Perhaps the most obvious benefit of pet insurance for the veterinary team is its effect on hospital revenue. Increased veterinary spending in insured pets leads to increased practice revenue, allowing practices to purchase advanced diagnostic equipment, stock a wider inventory of medications, hire more support staff, and invest in staff training. Each of these benefits increases the level of care that the practice is offering while also improving the work environment for the team.

Less apparent, perhaps, is the fact that pet insurance can help practices build better client relationships. In many cases, a client's mistrust of a veterinary team stems from financial concerns.<sup>1</sup> By alleviating financial concerns, pet insurance can help improve the level of trust that a client has in their veterinary team. This will not only result in fewer high-stress client interactions but will also allow more pets to receive recommended care.

Finally, and perhaps most importantly, pet insurance can decrease compassion fatigue

and moral distress among veterinary teams. Members of the veterinary team often experience moral distress when they know what is best for a pet but the client will not allow them to provide that level of care. Many veterinarians cite financial issues as a contributor to burnout.<sup>2</sup> Clients with pet insurance are more likely to accept recommendations, improving the overall well-being of the veterinary team.

### Why Pumpkin?

Pumpkin Insurance Services, Inc. was established by Zoetis in 2020 and awarded Best Pet Insurance for Comprehensive Coverage by Business Insider that same year.<sup>5</sup> Pumpkin's data-driven approach helps ensure that insured pets are receiving a high value in exchange for their pet insurance premiums.

Pumpkin offers accident and illness coverage and an optional non-insurance Preventive Essentials program, which reimburses charges for covered wellness care, making preventive care more accessible to pet owners. Pumpkin insurance has no upper age limits or breed exclusions. Owners select their own deductible from the options offered, which allows for cost flexibility, and the plan reimburses 90% of covered expenses above that deductible. To keep client costs low while maximizing benefits, Pumpkin has tiered annual limits for dogs and cats.

### Conclusion

It is estimated that <2% of pets in the United States are covered through pet insurance.<sup>6</sup> Raising this number could have significant impact not only on pet health but also on the mental and emotional well-being of veterinary teams. Making pet insurance an important component of client education is a simple way for veterinary practices to improve pet insurance adoption among clients and improve the health of pets and veterinary team members in their community.

The complete Pumpkin Pet Insurance study can be found at: [pumpkin.vet/value](https://pumpkin.vet/value).

Pumpkin Pet Insurance wants to collaborate with you to get more pets insured. Connect with Pumpkin at [pumpkin.vet/brief](https://pumpkin.vet/brief).

### References

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Data on file Study number 20SORINS-01-01, Zoetis Inc. Study included pets with Pumpkin insurance only and pets with Pumpkin insurance and optional Preventive Essentials package. Study participants were compensated for their time to gather patient data.

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