



OFFICE OF  
INSURANCE COMMISSIONER

July 28, 2021

Don Beatty  
Chair, NAIC Pet Insurance (C) Working Group  
National Association of Insurance Commissioners  
1100 Walnut St., Suite 1500  
Kansas City, MO 64106

Dear Chair Beatty and members of the working group:

Washington state offers the following comments for consideration to Section 6 of the model draft "clean version" found on the working group webpage.

**Section 6 ~~Policy~~ Preexisting Conditions**

(C) A pet insurer must not require a veterinary examination of the covered pet for the insured to have their policy renewed.

(D) If a pet insurer includes any prescriptive, wellness, or non-insurance benefits in the policy form, then it is made part of the policy contract and must follow all applicable laws and regulations in the insurance code.

(E) An insured's eligibility to purchase a pet insurance policy must not be based on participation, or lack of participation, in a separate wellness program.

**Section 3 Definitions**

(J) "Wellness program" means a subscription or reimbursement-based program that is separate from an insurance policy that provides goods and services to promote the general health, safety, or wellbeing of the pet. These goods and services include wellness exams, fecal tests, blood tests, vaccinations/titers, preventive medications for fleas, ticks, and heartworm, dental cleaning, spay and neuter procedures, nail trimming, grooming, and licensing tags. If any wellness program undertakes to indemnify another, or pay a specified amount upon determinable contingencies, it is transacting in the business of insurance and is subject to the insurance code.

Washington is learning more about some insurance companies requiring a veterinary examination of the covered pet prior to a renewal policy being offered. Our concern with this practice is centered on those pets that acquire a chronic condition during the initial term. These policies are marketed to pet owners as protection from the financial impact of having a pet with a costly illness. If a dog unknowingly develops cancer during a policy period, then has to be examined for a renewal, the cancer is treated as "new" pre-existing event. The insured will not be covered by the process of nonrenewal, and then become subject to a new policy preexisting condition clause, or the pet will become uninsurable, defeating the whole purpose of purchasing the original insurance policy.

Section 6 Subsection (D) and (E), and the new definition offered in Section 3, address wellness programs. Washington has reviewed and approved prescriptive and wellness benefits that were offered as an endorsement to the policy. Washington considers coverages, benefits, and conditions inserted into the

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insurance policy as part of the insurance contract and must follow all applicable laws in the insurance code. We are concerned to learn of “wellness programs” by non insurance companies, and that are not made part of the insurance policy, but affect eligibility of the insured to qualify for a “partner” insurance policy. Eligibility to purchase a pet insurance policy should not be contingent on purchase of any wellness program offered by a non insurance company or insurance company. The insurance policy should stand alone and separate from any “wellness program” offered.

Thank you for accepting these comments. If there are questions regarding this matter, please do not hesitate to contact me at (360) 725-7042 or [davidf@oic.wa.gov](mailto:davidf@oic.wa.gov)

Sincerely,



David Forte, CPCU, AIC  
Senior Policy Analyst, Property & Casualty  
Policy and Legislative Affairs Division