



March 4, 2020

Mr. Donald Beatty
Chair, NAIC Pet Insurance (C) Working Group
Virginia Department of Insurance
1300 E Main Street
Richmond, Virginia 23219

Dear Chair Beatty:

The American Veterinary Medical Association thanks the National Association of Insurance Commissioners Pet Insurance (C) Working Group for its efforts to engage multiple stakeholders in discussion around its draft Pet Insurance Model Act (Model Act). Understandably, reaching consensus on a workable model law that enhances the veterinary profession's ability to continue to offer quality care for our patients, while simultaneously supporting the business success of those providing insurance products, is critically important for all concerned.

Recognizing that an opportunity for comments on the model are being welcomed during discussion of its various sections, the AVMA provides the following comments, suggestion, and rationale regarding the Working Group's review of the description for "Preexisting condition" found in Section 3, Definitions, of the Model Act. Incorporating revisions made to the Model Act during the Working Group's teleconference on February 19, 2020, the current draft definition for "preexisting condition" appears to be as follows: *"Preexisting condition" means any condition for which a veterinarian provided medical advice, the pet received treatment for, or the pet displayed clinical signs consistent with the stated condition prior to the effective date of a pet insurance policy or during any waiting or affiliation period.*

The AVMA supports the proposed change within the definition from "signs or symptoms" to "clinical signs". While the terms "symptom" and "sign" are often used interchangeably, and colloquially in both human and veterinary medicine, there are important differences that affect their use in the field of medicine and that we believe should be attended to when creating regulatory and legal documents. Within human medical practice, a "symptom" is a physical or mental feature that is regarded as indicating a condition of disease, particularly such a feature that is apparent to the patient (e.g., anxiety, pain, fatigue). As such, "symptoms" are self-reported by the patient to the physician and are subjective. In contrast, "clinical signs" are objective evidence of disease that can be observed by others (e.g., a skin rash or lump). Veterinary patients cannot self-report; as such, they do not have "symptoms." Instead, they have "clinical signs" of disease that are observed and reported by others. As such, the AVMA is in agreement with this proposed change.

We have one additional modification to suggest to this definition. We recommend that the phrase "consistent with" be replaced by "related to". With this change, the definition would read, *"Preexisting condition" means any condition for which a veterinarian provided medical advice, the pet received treatment for, or the pet displayed clinical signs ~~consistent with~~ related to the stated condition prior to the effective date of a pet insurance policy or during any waiting or affiliation period.*

Our rationale for this suggested change is that some observed clinical signs can be non-specific, i.e., related to multiple diseases and/or conditions. Take, for example, a cat that is having difficulty

breathing. Such respiratory difficulty could be caused by the existence of a hiatal hernia that has displaced intestinal contents into the chest cavity, an allergic response, pneumonia, or cancer. More than one of these conditions could affect the same animal at different times, meaning that coughing in a cat that was originally determined to be due to allergy should not exclude coverage of the treatment of pneumonia or oncology care that might result in the same clinical signs and be provided to that cat at a later date. Similarly, clinical signs of constipation in a dog could be caused by anal sacculitis or by a tumor obstructing the colon. And, likewise, a dog had signs of constipation due to anal sacculitis, which was treated and resolved, should not be determined to not be eligible for treatment of cancer that occurred at a later date. By indicating that the clinical signs should be specifically “related to” the condition being considered for treatment (i.e., our suggested language revision), we avoid a situation where coverage might be denied because of similar clinical signs having markedly different causes. In summary, it does not seem reasonable that medical care for a current condition would be deemed ineligible for coverage, because the same clinical sign was associated with the earlier existence of a disease or condition for which treatment had been provided and the disease or condition satisfactorily resolved.

The AVMA appreciates the Working Group’s consideration of our comments on the definition, looks forward to similarly commenting on other aspects of the Model Act during discussions of subsequent sections of it, and looks forward to responding with more encompassing comments when a final draft version of the Model Act is provided for review and stakeholder comment.

Sincerely,

A handwritten signature in black ink that reads "Janet D. Donlin DVM". The signature is written in a cursive, flowing style.

Janet D. Donlin, DVM, CAE
Executive Vice President and Chief Executive Officer