



1 (c) All other applicable provisions of this State's  
2 insurance laws shall continue to apply to pet insurance except  
3 that the specific provisions of this article shall supersede any  
4 general provisions of law that would otherwise be applicable to  
5 pet insurance.

6 (d) Nothing in this article shall in any way prohibit or  
7 limit the types of exclusions pet insurers may use in their  
8 policies or require pet insurers to have any of the limitations  
9 or exclusions defined in section 431: -103.

10 **§431: -103 Definitions.** As used in this article, unless  
11 the context clearly indicates otherwise:

12 "Chronic condition" means a condition that can be treated  
13 or managed, but not cured.

14 "Congenital anomaly or disorder" means a condition that is  
15 present from birth, whether inherited or caused by the  
16 environment, which may cause or contribute to illness or  
17 disease.

18 "Hereditary disorder" means an abnormality that is  
19 genetically transmitted from parent to offspring and may cause  
20 illness or disease.



1 "Orthopedic" means conditions affecting the bones, skeletal  
2 muscle, cartilage, tendons, ligaments, and joints. "Orthopedic"  
3 includes but is not limited to elbow dysplasia, hip dysplasia,  
4 intervertebral disc degeneration, patellar luxation, and  
5 ruptured cranial cruciate ligaments. "Orthopedic" does not  
6 include cancers or metabolic, hemopoietic, or autoimmune  
7 diseases.

8 "Pet insurance" means a property insurance policy that  
9 provides coverage for accidents and illnesses of pets.

10 "Preexisting condition" means any condition for which any  
11 of the following are true before the effective date of a pet  
12 insurance policy or during any waiting period:

- 13 (1) A veterinarian provided medical advice;
- 14 (2) The pet received previous treatment; or
- 15 (3) Based on information from verifiable sources, the pet  
16 had signs or symptoms directly related to the  
17 condition for which a claim is being made.

18 "Renewal" means to issue and deliver at the end of an  
19 insurance policy period a policy that supersedes a policy  
20 previously issued and delivered by the same pet insurer or  
21 affiliated pet insurer and that provides types and limits of



1 coverage substantially similar to those contained in the policy  
2 being superseded.

3 "Veterinarian" means an individual who holds a valid  
4 license to practice veterinary medicine under chapter 471.

5 "Veterinary expenses" means the costs associated with  
6 medical advice, diagnosis, care, or treatment provided by a  
7 veterinarian, including but not limited to the cost of drugs  
8 prescribed by a veterinarian.

9 "Waiting period" means the period of time specified in a  
10 pet insurance policy that is required to transpire before some  
11 or all of the coverage in the policy can begin.

12 "Wellness program" means a subscription- or reimbursement-  
13 based program that is separate from an insurance policy that  
14 provides goods and services to promote the general health,  
15 safety, or wellbeing of the pet.

16 **§431: -104 Disclosures.** (a) A pet insurer transacting  
17 pet insurance shall disclose the following to consumers:

18 (1) Whether the policy excludes coverage due to any of the  
19 following:

20 (A) A preexisting condition;

21 (B) A hereditary disorder;



- 1 (C) A congenital anomaly or disorder; or
- 2 (D) A chronic condition;
- 3 (2) If the policy includes any other exclusions, the
- 4 following statement: "Other exclusions may apply.
- 5 Please refer to the exclusions section of the policy
- 6 for more information.";
- 7 (3) Any policy provision that limits coverage through a
- 8 waiting period, affiliation period, a deductible,
- 9 coinsurance, or an annual or lifetime policy limit;
- 10 (4) Whether the pet insurer reduces coverage or increases
- 11 premiums based on the consumer's claim history, the
- 12 age of the covered pet, or a change in the geographic
- 13 location of the covered pet; and
- 14 (5) Whether the underwriting company differs from the
- 15 brand name used to market and sell the product.
- 16 (b) Unless the consumer has filed a claim under the pet
- 17 insurance policy, pet insurance applicants shall have the right
- 18 to examine and return the policy, certificate, or rider to the
- 19 pet insurer or an agent or producer of the pet insurer within
- 20 fifteen days of its receipt and to have the premium refunded if,



1 after examination of the policy, certificate, or rider, the  
2 applicant is not satisfied for any reason.

3 Pet insurance policies, certificates, and riders shall have  
4 a notice prominently printed on the first page or attached to  
5 the first page including specific instructions to accomplish a  
6 return. The following free look statement or language  
7 substantially similar shall be included:

8 "You have 15 days from the day you receive this  
9 policy, certificate, or rider to review it and return  
10 it to the pet insurer if you decide not to keep it.  
11 You do not have to tell the pet insurer why you are  
12 returning it. If you decide not to keep it, simply  
13 return it to the pet insurer at its administrative  
14 office or you may return it to the agent/insurance  
15 producer that you bought it from as long as you have  
16 not filed a claim. You must return it within 15 days  
17 of the day you first received it. The pet insurer  
18 will refund the full amount of any premium paid within  
19 30 days after it receives the returned policy,  
20 certificate, or rider. The premium refund will be  
21 sent directly to the person who paid it. The policy,



1 certificate, or rider will be void as if it had never  
2 been issued."

3 (c) A pet insurer shall clearly disclose a summary  
4 description of the basis or formula on which the pet insurer  
5 determines claim payments under a pet insurance policy within  
6 the policy, before policy issuance and through a clear and  
7 conspicuous link on the main page of the pet insurer's or pet  
8 insurer's program administrator's website.

9 (d) A pet insurer that uses a benefit schedule to  
10 determine claim payment under a pet insurance policy shall:

11 (1) Clearly disclose the applicable benefit schedule in  
12 the policy; and

13 (2) Disclose all benefit schedules used by the pet insurer  
14 under its pet insurance policies through a clear and  
15 conspicuous link on the main page of the pet insurer's  
16 or pet insurer's program administrator's website.

17 (e) A pet insurer that determines claim payments under a  
18 pet insurance policy based on usual and customary fees, or any  
19 other reimbursement limitation based on prevailing veterinary  
20 service provider charges, shall:



1           (1) Include a usual and customary fee limitation provision  
2           in the policy that clearly describes the pet insurer's  
3           basis for determining usual and customary fees and how  
4           that basis is applied in calculating claim payments;  
5           and

6           (2) Disclose the pet insurer's basis for determining usual  
7           and customary fees through a clear and conspicuous  
8           link on the main page of the pet insurer's or pet  
9           insurer's program administrator's website.

10          (f) If any medical examination by a veterinarian is  
11 required to effectuate coverage, the pet insurer shall clearly  
12 and conspicuously disclose the required aspects of the  
13 examination prior to purchase and disclose that examination  
14 documentation may result in a preexisting condition exclusion.

15          (g) Waiting periods, and the requirements applicable to  
16 the waiting periods, shall be clearly and prominently disclosed  
17 to consumers before the policy purchase.

18          (h) The pet insurer shall include a summary of all policy  
19 provisions required in subsections (a) through (g), inclusive,  
20 in a separate document titled "Insurer Disclosure of Important  
21 Policy Provisions".



1           (i) The pet insurer shall post the insurer disclosure of  
2 important policy provisions document required in subsection (h)  
3 through a clear and conspicuous link on the main page of the pet  
4 insurer's or pet insurer's program administrator's website.

5           (j) In connection with the issuance of a new pet insurance  
6 policy, the pet insurer shall provide the consumer with a copy  
7 of the insurer disclosure of important policy provisions  
8 document required pursuant to subsection (h) in at least twelve-  
9 point type when the pet insurer delivers the policy.

10          (k) At the time a pet insurance policy is issued or  
11 delivered to a policyholder, the pet insurer shall include a  
12 written disclosure with the following information, printed in  
13 twelve-point boldface type:

- 14           (1) The insurance division's mailing address, toll-free  
15                telephone number, and website address;
- 16           (2) The address and customer service telephone number of  
17                the pet insurer or the agent or broker of record; and
- 18           (3) If the policy was issued or delivered by an agent or  
19                broker, a statement advising the policyholder to  
20                contact the broker or agent for assistance.



1 (l) The disclosures required in this section shall be in  
2 addition to any other disclosure requirements required by law or  
3 rule.

4 **§431: -105 Policy conditions.** (a) If a pet insurer  
5 uses any of the terms in this article in a policy of pet  
6 insurance, the pet insurer shall use the definition of each of  
7 those terms as set forth in section 431: -103 and include the  
8 definition of the term in the policy. The pet insurer shall  
9 also make the definition available through a clear and  
10 conspicuous link on the main page of the pet insurer's or pet  
11 insurer's program administrator's website.

12 (b) A pet insurer may issue policies that exclude coverage  
13 on the basis of one or more preexisting conditions with  
14 appropriate disclosure to the consumer. The pet insurer has the  
15 burden of proving that the preexisting condition exclusion  
16 applies to the condition for which a claim is being made. A  
17 condition for which coverage is afforded on a policy shall not  
18 be considered a preexisting condition on any renewal of the  
19 policy.

20 (c) A pet insurer may issue policies that impose waiting  
21 periods upon effectuation of the policy that do not exceed



1 thirty days for illnesses or orthopedic conditions not resulting  
2 from an accident. Waiting periods shall not be applied to  
3 renewals of existing coverage. Waiting periods for accidents  
4 shall be prohibited.

5 A pet insurer utilizing a waiting period permitted under  
6 this subsection shall include a provision in its contract that  
7 allows the waiting periods to be waived upon completion of a  
8 medical examination. Pet insurers may require the examination  
9 to be conducted by a veterinarian after the purchase of the  
10 policy. The medical examination for the waiver shall be paid  
11 for by the policyholder, unless the policy specifies that the  
12 pet insurer will pay for the examination. A pet insurer can  
13 specify elements to be included as part of the examination and  
14 require documentation of the examination; provided that the  
15 specifications shall not unreasonably restrict a consumer's  
16 ability to waive the waiting period under this subsection.

17 Waiting periods, and the requirements applicable to the  
18 waiting periods, shall be clearly and prominently disclosed to  
19 consumers before the policy purchase.



1 (d) A pet insurer shall not require a veterinary  
2 examination of the covered pet for the consumer to have the  
3 policy renewed.

4 (e) If a pet insurer includes any prescriptive, wellness,  
5 or non-insurance benefits in the policy form, then the benefits  
6 shall be made part of the policy contract and shall follow all  
7 applicable laws and rules in this chapter.

8 (f) A consumer's eligibility to purchase a pet insurance  
9 policy shall not be based on participation, or lack of  
10 participation, in a separate wellness program.

11 **§431: -106 Sales practices for wellness programs; when**  
12 **deemed insurance.** (a) A pet insurer or producer shall not:

13 (1) Market a wellness program as pet insurance; or

14 (2) Market a wellness program during the sale,  
15 solicitation, or negotiation of pet insurance.

16 (b) If a wellness program is sold by a pet insurer or  
17 producer:

18 (1) The purchase of the wellness program shall not be a  
19 requirement to the purchase of pet insurance;



- 1           (2) The costs of the wellness program shall be separate  
2                   and identifiable from any pet insurance policy sold by  
3                   a pet insurer or producer;
- 4           (3) The terms and conditions for the wellness program  
5                   shall be separate from any pet insurance policy sold  
6                   by a pet insurer or producer;
- 7           (4) The products or coverages available through the  
8                   wellness program shall not duplicate products or  
9                   coverages available through the pet insurance policy;
- 10          (5) The advertising of the wellness program shall not be  
11                   misleading and shall be in accordance with this  
12                   subsection; and
- 13          (6) A pet insurer or producer shall clearly disclose the  
14                   following to consumers, printed in twelve-point  
15                   boldface type:
- 16                   (A) That wellness programs are not insurance;
- 17                   (B) The address and customer service telephone number  
18                   of the pet insurer or producer or broker of  
19                   record; and
- 20                   (C) The insurance division's mailing address, toll-  
21                   free telephone number, and website address.



1 (c) Coverages included in the pet insurance policy  
2 contract described as "wellness" benefits shall be deemed  
3 insurance.

4 (d) If a wellness program undertakes to indemnify another  
5 or pays a specified amount upon determinable contingencies, the  
6 wellness program shall be deemed transacting the business of  
7 insurance as defined in section 431:1-215 and shall be subject  
8 to this chapter.

9 (e) A wellness program shall not be construed to classify  
10 a contract that is directly between a service provider and a pet  
11 owner and only involves the two parties as transacting the  
12 business of insurance as defined in section 431:1-215, unless  
13 other indications of insurance also exist.

14 **§431: -107 Producer training.** (a) A producer shall not  
15 sell, solicit, or negotiate a pet insurance product until after  
16 the producer is appropriately licensed and has completed the  
17 required training identified in subsection (c).

18 (b) An insurer shall ensure that its producers are trained  
19 under subsection (c) and that its producers have been  
20 appropriately trained on the coverages and conditions of its pet  
21 insurance products.



1 (c) The training required under this section shall include  
2 information on the following topics:

- 3 (1) Preexisting conditions and waiting periods;  
4 (2) The differences between pet insurance and noninsurance  
5 wellness programs;  
6 (3) Hereditary disorders, congenital anomalies, congenital  
7 disorders, and chronic conditions and how pet  
8 insurance policies interact with those disorders or  
9 conditions; and  
10 (4) Rating, underwriting, renewal, and other related  
11 administrative topics.

12 (d) The satisfaction of the training requirements of  
13 another state that are substantially similar to the provisions  
14 of subsection (c) shall be deemed to satisfy the training  
15 requirements in this State.

16 **§431: -108 Rules.** The commissioner may adopt rules  
17 pursuant to chapter 91 to administer this article.

18 **§431: -109 Violations.** Violations of this article shall  
19 be subject to penalties pursuant to this chapter and the rules  
20 pursuant to this chapter."



# H.B. NO. 544

1           SECTION 2. This Act does not affect rights and duties that  
2 matured, penalties that were incurred, and proceedings that were  
3 begun before its effective date.

4           SECTION 3. This Act shall take effect on July 1, 2025.

5

INTRODUCED BY: \_\_\_\_\_



JAN 17 2025



# H.B. NO. 544

**Report Title:**

Pet Insurance; Regulation; Establishment

**Description:**

Establishes a regulatory framework specifically for pet insurance based on the National Association of Insurance Commissioners' Pet Insurance Model Act.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

