

trupanion®



# EMPLOYEE ADVANTAGE

Underwritten by American Pet Insurance Company (USA) and Omega General Insurance Company (Canada)

Dear Hospital Owner/Administrator,

Many veterinarians want to offer pet health insurance as a benefit for their employees. With Trupanion, your staff's pets will be able to receive the same quality care that you provide for your best clients. Indeed, your team members can become your best clients.

We believe your future growth is likely connected to the success you have building a significant base of insured pets. A firsthand recommendation from your team to your clients about the great service that Trupanion provides can help grow your revenues and profits.

The information in this brochure will help you develop a sustainable benefit program that will delight your team and grow your practice.

*"Trupanion has drastically reduced our cost of providing veterinary care for our employees. It's been great for our business and phenomenal for our staff. It's so much easier (and better) to take the 'money issues' out of veterinary medicine. Trupanion's Veterinary Employee Benefits Program is a 'no brainer' to implement."*

**David Sachs, DVM**

Medical Director

CHARLESTON VETERINARY  
REFERRAL CENTER, SC

## WHY OFFER TRUPANION PET INSURANCE TO YOUR TEAM



- We have one simple plan, 90% coverage, and no payout limits. Please see our policy for details [Trupanion.com/pet-insurance](http://Trupanion.com/pet-insurance).
- Trupanion offers 24/7 customer support.
- We provide customized billing and reporting to meet your practice's needs.
- We provide your employees an 11% discount.
- You create a coveted benefit that will separate you from other practices and reduce staff turnover.
- It can help employees afford emergency or specialty care when needed.
- Employees become your best clients.
- Associates on production can receive compensation for services provided for employee pets.
- You charge regular fees for your services and products.
- Become IRS compliant by reducing your employee discounts.
- Reduce employee accounts receivable.



Trupanion is the leading authority and fastest growing provider of medical insurance for pets in North America.<sup>1</sup> We have worked with practices of all sizes to develop easy to understand options for integrating insurance with team members' benefits.

By design, Trupanion has the highest payouts in the industry. Our average payout rate is 71% of premiums collected.

With our 11% employee discount, over time your practice can expect to receive approximately 80% of the amount spent on employee policies in the form of claims paid back to your business.

The bottom line is that if you currently discount your services to employees more than 20% you would be better served to buy policies with Trupanion. The average hospital provides discounts on services that range from 50-75% for services. All practice owners know the true amount of discount is greater than reflected on internally generated reports. Can you imagine being paid 90% of the normal fees for coverable services to employees?

<sup>1</sup> Based on data compiled from NAPHIA's 2012 North American Pet Health Insurance Industry Report

## LET TRUPANION HELP BUILD YOUR PRACTICE

**ONE SIMPLE PLAN** - Covers injuries and illnesses, including hereditary and congenital conditions for dogs and cats:

- Diagnostic Tests
- Medications
- Surgeries and Medicines
- Therapeutic Pet Food
- Hospitalization
- Orthotics, Prosthetics, and Carts

**90% COVERAGE** - Paid from your invoice and not from a pre-determined benefits schedule. Available at any veterinary practice, or emergency/specialty hospital in the US, Canada, and Puerto Rico. (Less the exam fee, optional deductible, costs related to pre-existing conditions, and sales taxes—where applicable).

**NO PAYOUT LIMITS** - Per injury, per illness, for the lifetime of the pet.

See our policy for details: [www.trupanion.com/pet-insurance](http://www.trupanion.com/pet-insurance).

Trupanion is an industry leader in pet insurance—helping deliver financial peace of mind to pet owners while growing the business of veterinary practices.



## HOW WE SUPPORT YOUR ADMINISTRATION OF TRUPANION'S PROGRAM

### CREATE STAFF ACCEPTANCE AND EXCITEMENT ABOUT THE BENEFIT

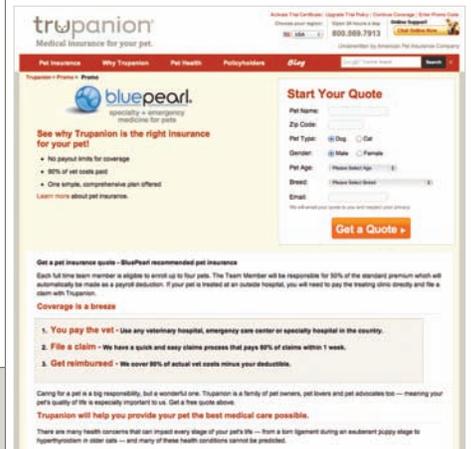
Schedule a Trupanion webinar or invite your local Territory Partner to a staff meeting to review the benefits—or both.



### ENROLLMENT OPTIONS

- We can arrange for a simultaneous group enrollment based on information you share with us
- Your employees enroll directly with Trupanion. We provide them a promo code and a sign-up page on our website. Your employees can enroll online or call us directly.

[SIGN-UP PAGE](#) ▶



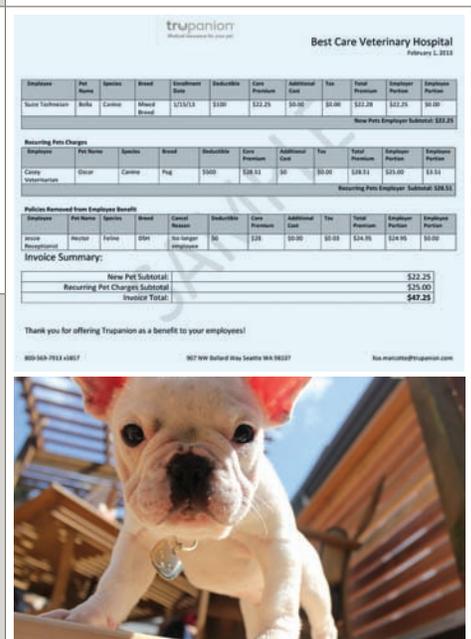
### PAYMENT OPTIONS

Trupanion provides you with monthly invoicing. You can pay by check, auto bank draft, or credit card.

### MONTHLY REPORTING

Trupanion provides you a Monthly Employee Benefits invoice itemized by employee.

[SAMPLE REPORT](#) ▶



### FILING CLAIMS

All claims are paid with Claims Express.™ We wire paid claims directly to your business checking account or mail you a check, whichever you prefer. If an employee's pet needs to go to an emergency hospital or referral center we can make arrangements to reimburse that practice or the employee directly.

## OPTIONS FOR STRUCTURING YOUR BENEFITS PROGRAM

It is important to think about some practical things when you restructure your pet benefit program. The following examples show 3 different approaches used at practices that have successfully implemented Trupanion as an employee benefit. In general, always enroll the youngest pets first followed by pets that have the fewest or least severe pre-existing conditions.

### OPTION 1 – THE PRACTICE PAYS THE MONTHLY PREMIUMS



**MACK** - Policyholder Since 2011

Set the number of pets per employee that you will pay the premiums for based on how long they have worked for you. For example, we suggest:

- Employees with a minimum of 90 days to 4 years of tenure, cover 1-2 pets.
- For employees who have worked 5 years or more, cover 3-4 pets.

You select the deductible—\$0 to \$1000. You can do this as a group or on an individual pet basis. We suggest a maximum of \$250. Zero is preferable.

- You can absorb the coinsurance and/or deductible, split it with the employee, or have the employee pay the deductible.
- If employees elect to add pets above your guidelines, their premiums can be deducted from payroll as an after-tax expense either monthly or bi-weekly.

**PRO:** Easy to administer and doesn't require much effort.

**CON:** Each employee would essentially receive a different benefit level based on the type of pets they have. Although, in our experience, it never seems to be an issue.

### OPTION 2 – PROVIDE A SET MONTHLY \$ AMOUNT DEPENDING ON EMPLOYEE TENURE



**ROBERT F. PARKER** -  
Policyholder Since 2013

Offer your employees a set monthly amount that the practice will contribute toward Trupanion policies. We suggest:

- \$100 for employees who have worked at your practice at least 90 days through 4 years.
- \$200 for employees who have worked 5 years or more.

You select the deductible—\$0 to \$1000. You can do this as a group or on an individual pet basis. We suggest a maximum of \$250. Zero is preferable.

- You can absorb the coinsurance and/or deductible, split it with the employee, or have the employee pay the deductible.
- If employees elect to add pets, their premiums can be deducted from payroll as an after-tax expense either monthly or bi-weekly.

**PRO:** The benefit is similar for all staff members based their employment tenure.

**CON:** It takes a little more time to administer.

## OPTION 3 – PROVIDE A SET MONTHLY \$ AMOUNT REGARDLESS OF EMPLOYEE TENURE



**DIEGO** - Policyholder Since 2008

Offer your employees a set monthly amount that your practice will contribute toward Trupanion policies. Our suggestion:

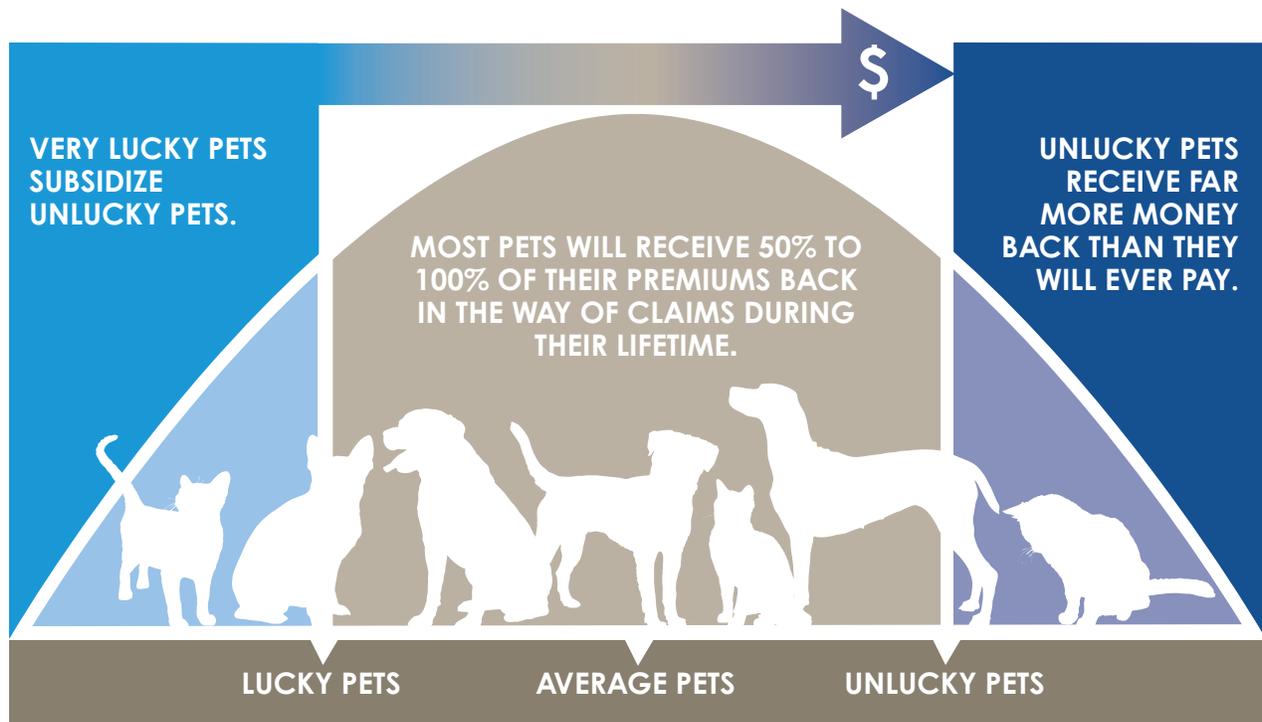
- \$100 monthly contribution for employees employed for a minimum of 90 days.

You select the deductible—\$0 to \$1000. You can do this as a group or on an individual pet basis. We suggest a maximum of \$250. Zero is preferable.

- You can absorb the coinsurance and/or deductible, split it with the employee, or have the employee pay the deductible.
- If employees elect to add pets, their premiums can be deducted from payroll as an after-tax expense either monthly or bi-weekly.

**PRO:** The benefit is equal for all employees.

**CON:** Depending on breed and age at time of enrollment and your practice location, it may be a challenge to get more than two dogs insured per employee, depending on selected deductible.



THE AMOUNT OF MONEY INSURED PET OWNERS PAY VS. RECEIVE IN CLAIMS DEPENDS ON THE HEALTH OF THE PET

## EXAMPLES OF HOW TRUPANION WOULD BENEFIT YOUR TEAM AND YOUR BUSINESS



### FOREIGN BODY INGESTION

#### SURGERY

**ACTUAL COST- \$2,500**

#### WITH 50% HOSPITAL DISCOUNT:

- Hospital write-off (loss): \$1,250
- Hospital revenue from employee (if paid): \$1,250

#### WITH 90% TRUPANION PAYOUT:

- Hospital write-off (loss): \$250
- Hospital revenue: \$2,250 (\$1,000 increased revenue with Trupanion)

### CANCER

#### DIAGNOSTICS/SURGERY CHEMO/MEDICATIONS

**ACTUAL COST- \$9,000**

#### WITH 50% HOSPITAL DISCOUNT:

- Hospital write-off (loss): \$4,500
- Hospital revenue from employee (if paid): \$4,500

#### WITH 90% TRUPANION PAYOUT:

- Hospital write-off (loss): \$900
- Hospital revenue: \$8,100 (\$3,600 increased revenue with Trupanion)

### DIABETES

#### DIAGNOSTICS/MEDICATION/RX DIET

**ACTUAL COST- \$6,000  
(OVER 5 YEARS)**

#### WITH 50% HOSPITAL DISCOUNT:

- Hospital write-off (loss): \$3,000
- Hospital revenue from employee (if paid): \$3,000

#### WITH 90% TRUPANION PAYOUT:

- Hospital write-off (loss): \$600
- Hospital revenue: \$5,400 (\$2,400 increased revenue with Trupanion)



*“Providing staff with pet insurance policies, as an employee benefit, allows us to provide the same level of excellent care to our team’s own pets that we recommend to our clients. Financially it makes sense. Staff pet insurance policies allow us to bill all non-preventive care at regular prices instead of discounting the services. The bills get paid quickly by Trupanion—leaving no reason for a staff member to have money owing on account for an extended time. We definitely feel that having the Trupanion policy for our staff has mutually benefited our business and our employees.”*

**Helen Duncan, CVPM**  
Hospital Manager

ROYAL YORK ANIMAL  
HOSPITAL, ON

## FREQUENTLY ASKED QUESTIONS

**How would we provide services to pets with pre-existing (non-coverable) conditions who are enrolled with Trupanion?**

**ANSWER:** Most practices will continue to provide services for these pets under the prior discounting policies until resolved, the employee discontinues employment, or the pet passes away. The majority of these conditions are long-term medications. The product costs related would fall into the “cost plus 10/20%” category.

**Since Trupanion doesn’t cover preventive care services, what would you suggest?**

**ANSWER:** We recommend your program include complimentary physical exams for up to 3 or 4 pets per FT employee. Vaccines, flea control, shampoos, food, parasite products, annual lab testing etc. would be “cost plus 10/20%”. Most practices get many of these items for free from industry reps, which can keep cost on these items very low for your team.

**If I pay or partially subsidize Trupanion as a benefit for our employees, what should I do with my current discount policy?**

**ANSWER:** Outside of pre-existing conditions described above, our recommendation is to incrementally reduce your service discount to become IRS compliant. Example: You currently provide a 50% discount on services. Once employees are enrolled with Trupanion, you can reduce that to 35% for the next year and to 20% the following year. Or, if you provide what you consider a significant contribution to subsidizing pet insurance you immediately adopt a 20% IRS compliant policy.

**Would you suggest covering employees who have more than 4 pets?**

**ANSWER:** Our recommendation is a 20% discount on services (IRS compliant) and “cost plus 10/20%” on products.





We hope you better understand our vision for workplace solutions that will help transform your practice's future by providing Trupanion as a benefit.

Your desire to provide outstanding care for your employees' pets is a wise decision. We know your practice will grow more quickly when you have a significant base of insured pets. And, your team can help you get there. Every day they interact with pet owners, educating them how to care for their pets. These pet owners would likely be receptive to a personal recommendation from them about Trupanion.

At Trupanion our expertise is in assuming employee pet risk by charging reasonable premiums that allow no caps on coverage and by paying 90% of the bill (excluding vet exam, deductible, and applicable sales tax).<sup>\*</sup> With one simple plan that covers all injuries, medical and surgical conditions, we are the best choice to provide assistance to your most coveted asset—your people.

**If you would like more information, including our form to do a pet census in your practice, please call us at 888.733.2630 or email us your request to [HospitalSupport@trupanion.com](mailto:HospitalSupport@trupanion.com)**

*Recommendations and testimonials were provided without compensation.*

*<sup>\*</sup> See our policy for details [Trupanion.com/pet-insurance](http://Trupanion.com/pet-insurance)*

*"My 10-year old dog was diagnosed with pancreatitis and was very sick. He needed to be hospitalized. If it wasn't for Trupanion, I would be in debt, trying to dig my way out. Having Trupanion as an employee allowed me to sleep at night knowing that 90% of all of the coverable expenses would be paid! The costs associated with hospitalization, diagnostics, medication, and rechecks have exceeded \$2,500. Our former discount plan would have only covered about half—which I could not afford! Thank you, thank you, thank you for enrolling my pet with Trupanion. It's such a wonderful thing you did for us all."*

**Dulce Covarrubias, CVT**

ANIMAL MEDICAL GROUP,  
MANHATTAN BEACH, CA

