

HOUSE No. 1186

The Commonwealth of Massachusetts

PRESENTED BY:

Ryan M. Hamilton

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to pet insurance in the Commonwealth of Massachusetts.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Ryan M. Hamilton</i>	<i>15th Essex</i>	<i>1/16/2025</i>
<i>Bruce J. Ayers</i>	<i>1st Norfolk</i>	<i>4/28/2025</i>

HOUSE No. 1186

By Representative Hamilton of Methuen, a petition (accompanied by bill, House, No. 1186) of Ryan M. Hamilton relative to pet insurance. Financial Services.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act relative to pet insurance in the Commonwealth of Massachusetts.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Scope and Purpose.

2 (a) The purpose of this chapter is to promote the public welfare by creating a
3 comprehensive legal framework within which pet insurance may be sold in this state.

4 (b) The requirements of this chapter shall apply to pet insurance policies that are issued to
5 any resident of this state and are sold, solicited, negotiated, or offered in this state, and
6 policies or
7 certificates that are delivered or issued for delivery in this state.

8 (c) All other applicable provisions of this state’s insurance laws shall continue to apply to
9 pet insurance except that the specific provisions of this chapter shall supersede any
10 general

11 provisions of law that would otherwise be applicable to pet insurance.

12 SECTION 2. Definitions.

13 (a) If a pet insurer uses any of the terms in this chapter in a policy of pet insurance, the

14 pet

15 insurer shall use the definition of each of those terms as set forth herein and include the

16 definition

17 of the term(s) in the policy. The pet insurer shall also make the definition available

18 through a clear

19 and conspicuous link on the main page of the pet insurer or pet insurer's program

20 administrator's

21 website.

22 (b) Nothing in this chapter shall in any way prohibit or limit the types of exclusions pet

23 insurers may use in their policies or require pet insurers to have any of the limitations or

24 exclusions

25 defined below.

26 (c) For purposes of this section:

27 (1) "Chronic condition" means a condition that can be treated or managed, but not cured.

28 (2) "Congenital anomaly or disorder" means a condition that is present from birth,

29 whether

30 inherited or caused by the environment, which may cause or contribute to illness or
31 disease.

32 (3) “Hereditary disorder” means an abnormality that is genetically transmitted from
33 parent

34 to offspring and may cause illness or disease.

35 (4) “Orthopedic” refers to conditions affecting the bones, skeletal muscle, cartilage,
36 tendons, ligaments, and joints. It includes, but is not limited to, elbow dysplasia, hip
37 dysplasia,

38 intervertebral disc degeneration, patellar luxation, and ruptured cranial cruciate
39 ligaments. It does

40 not include cancers or metabolic, hemopoietic, or autoimmune diseases.

41 (5) “Pet insurance” means a property insurance policy that provides coverage for
42 accidents

43 and illnesses of pets.

44 (6) “Preexisting condition” means any condition for which any of the following are true
45 prior to the effective date of a pet insurance policy or during any waiting period:

46 (i) A veterinarian provided medical advice;

47 (ii) The pet received previous treatment; or

48 (iii) Based on information from verifiable sources, the pet had signs or symptoms directly

49 related to the condition for which a claim is being made.

50 (iv) A condition for which coverage is afforded on a policy cannot be considered a
51 preexisting condition on any renewal of the policy.

52 (7) "Renewal" means to issue and deliver at the end of an insurance policy period a
53 policy

54 which supersedes a policy previously issued and delivered by the same pet insurer or
55 affiliated pet

56 insurer and which provides types and limits of coverage substantially similar to those
57 contained in

58 the policy being superseded.

59 (8) "Veterinarian" means an individual who holds a valid license to practice veterinary
60 medicine from the appropriate licensing entity in the jurisdiction in which the individual
61 practices.

62 (9) "Veterinary expenses" means the costs associated with medical advice, diagnosis,
63 care,

64 or treatment provided by a veterinarian, including, but not limited to, the cost of drugs
65 prescribed

66 by a veterinarian.

67 (10) "Waiting period" means the period of time specified in a pet insurance policy that is

68 required to transpire before some or all of the coverage in the policy can begin. Waiting
69 periods

70 may not be applied to renewals of existing coverage.

71 (11) “Wellness program” means a subscription or reimbursement-based program that is

72 separate from an insurance policy that provides goods and services to promote the

73 general health,

74 safety, or wellbeing of the pet. If any wellness program satisfies the requirements for an

75 insurance

76 contract under Section 2, it is transacting in the business of insurance and is subject to the

77 insurance

78 code. This definition is not intended to classify a contract directly between a service

79 provider and

80 a pet owner that only involves the two (2) parties as being “the business of insurance,”

81 unless other

82 indications of insurance also exist.

83 SECTION 3. Disclosures.

84 (a) A pet insurer transacting pet insurance shall disclose the following to consumers:

85 (1) If the policy excludes coverage due to any of the following:

86 (i) A preexisting condition;

87 (ii) A hereditary disorder;

88 (iii) A congenital anomaly or disorder; or

89 (iv) A chronic condition;

90 (2) If the policy includes any other exclusions, the following statement: “Other

91 exclusions

92 may apply. Please refer to the exclusions section of the policy for more information.”;

93 (3) Any policy provision that limits coverage through a waiting or affiliation period, a

94 deductible, coinsurance, or an annual or lifetime policy limit;

95 (4) Whether the pet insurer reduces coverage or increases premiums based on the

96 insured’s

97 claim history, the age of the covered pet or a change in the geographic location of the

98 insured; and

99 (5) If the underwriting company differs from the brand name used to market and sell the

100 product.

101 (b) Right to examine and return the policy.

102 (1) Unless the insured has filed a claim under the pet insurance policy, pet insurance

103 applicants shall have the right to examine and return the policy, certificate or rider to the

104 company

105 or an agent/insurance producer of the company within thirty (30) days of its receipt and
106 to have
107 the premium refunded if, after examination of the policy, certificate or rider, the applicant
108 is not
109 satisfied for any reason.

110 (2) Pet insurance policies, certificates and riders shall have a notice prominently printed
111 on
112 the first page or attached thereto including specific instructions to accomplish a return.

113 The
114 following free look statement or language substantially similar shall be included:

115 “You have thirty (30) days from the day you receive this policy, certificate, or rider to
116 review it, and return it to the company if you decide not to keep it. You do not have to tell
117 the

118 company why you are returning it. If you decide not to keep it, simply return it to the
119 company at

120 its administrative office, or you may return it to the agent/insurance producer that you
121 bought it

122 from as long as you have not filed a claim. You must return it within thirty (30) days of
123 the day

124 you first received it. The company will refund the full amount of any premium paid
125 within thirty

126 (30) days after it receives the returned policy, certificate, or rider. The premium refund
127 will be sent

128 directly to the person who paid it. The policy, certificate, or rider will be void as if it had
129 never
130 been issued.”

131 (c) A pet insurer shall clearly disclose a summary description of the basis or formula on
132 which the pet insurer determines claim payments under a pet insurance policy within the
133 policy,

134 prior to policy issuance, and through a clear and conspicuous link on the main page of the
135 pet
136 insurer’s or pet insurer’s program administrator’s website.

137 (d) A pet insurer that uses a benefit schedule to determine claim payment under a pet
138 insurance policy shall do both of the following:

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

140 (2) Disclose all benefit schedules used by the pet insurer under its pet insurance policies

141 through a clear and conspicuous link on the main page of the pet insurer’s or pet insurer’s
142 program

143 administrator's website.

144 (e) A pet insurer that determines claim payments under a pet insurance policy based on
145 usual and customary fees, or any other reimbursement limitation based on prevailing
146 veterinary
147 service provider charges, shall do both of the following:

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

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

155 (f) If any medical examination by a licensed veterinarian is required to effectuate
156 coverage,

157 the pet insurer shall clearly and conspicuously disclose the required aspects of the
158 examination

159 prior to purchase and disclose that examination documentation may result in a preexisting
160 condition exclusion.

161 (g) Waiting periods and the requirements applicable to them, must be clearly and
162 prominently disclosed to consumers prior to the policy purchase.

163 (h) The pet insurer shall include a summary of all policy provisions required in
164 subsections

165 3 (a) through (g) of this section, inclusive, in a separate document titled “Insurer
166 Disclosure of
167 Important Policy Provisions.”

168 (i) The pet insurer shall post the “Insurer Disclosure of Important Policy Provisions”
169 document required in subsection (h) of this section through a clear and conspicuous link
170 on the
171 main page of the pet insurer’s or pet insurer’s program administrator’s website.

172 (j) In connection with the issuance of a new pet insurance policy, the pet insurer shall
173 provide the consumer with a copy of the “Insurer Disclosure of Important Policy
174 Provisions”

175 document required pursuant to subsection (h) of this section in at least twelve-point (12)
176 type when
177 the policy is delivered.

178 (k) At the time a pet insurance policy is issued or delivered to a policyholder, the pet
179 insurer

180 shall include a written disclosure with the following information, printed in twelve-point

181 (12)

182 boldface type:

183 (1) The address and customer service telephone number of the pet insurer or the agent or
184 broker of record.

185 (2) If the policy was issued or delivered by an agent or broker, a statement advising the
186 policyholder to contact the broker or agent for assistance.

187 (l) The disclosures required in this section shall be in addition to any other disclosures
188 required by law or regulation.

189 SECTION 4. Policy Conditions.

190 (a) A pet insurer may issue policies that exclude coverage on the basis of one or more
191 preexisting conditions with appropriate disclosure to the consumer. The pet insurer has
192 the burden

193 of proving that the preexisting condition exclusion applies to the condition for which a
194 claim is
195 being made.

196 (b) A pet insurer may issue policies that impose waiting periods upon effectuation of the

197 policy that do not exceed thirty (30) days for illnesses or orthopedic conditions not
198 resulting from

199 an accident. Waiting periods for accidents are prohibited.

200 A pet insurer utilizing a waiting period must issue coverage to be effective by 12:01 a.m.
201 on the second calendar day after purchase, subject only to the following exceptions:

202 (1) If an insurer elects to conduct individualized underwriting on a specific pet, then
203 coverage must be effective by 12:01 a.m. on the second calendar day after the insurer has
204 determined such pet is eligible for coverage.

205 (2) Any insurer may delay coverage from becoming effective to establish a method for
206 the
207 consumer or group administrator to pay the premium, or

208 (3) For pet insurance coverage acquired by an individual through an employer or
209 organization, the coverage requirements of the employer's or organization's benefit plan.

210 (4) If a policy does not include a waiting period for an illness or orthopedic condition, an
211 insurer may set a policy effectuation date that is up to fifteen (15) calendar days after
212 purchase, so
213 long as such policy effectuation date is clearly disclosed and no premium is charged
214 before the

215 policy becomes effective.

216 (c) A pet insurer utilizing a waiting period permitted in subsection (b) of this section shall

217 include a provision in its contract that allows the waiting periods to be waived upon

218 completion of

219 a medical examination. Pet insurers may require the examination to be conducted by a

220 licensed

221 veterinarian after the purchase of the policy.

222 (1) A medical examination under subsection (c) of this section shall be paid for by the

223 policyholder, unless the policy specifies that the pet insurer will pay for the examination.

224 (2) A pet insurer can specify elements to be included as part of the examination and

225 require

226 documentation thereof, provided the specifications do not unreasonably restrict a

227 consumer's

228 ability to waive the waiting periods in subsection (b) of this section.

229 (d) Waiting periods, and the requirements applicable to them, must be clearly and

230 prominently disclosed to consumers prior to the policy purchase.

231 (e) A pet insurer must not require a veterinary examination of the covered pet for the

232 insured to have their policy renewed.

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

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

239 SECTION 5. Sales Practices for Wellness Programs.

240 (a) A pet insurer and/or producer shall not market a wellness program as pet insurance.

241 (b) If a wellness program is sold by a pet insurer and/or producer:

242 (1) The purchase of the wellness program shall not be a requirement to the purchase of
243 pet
244 insurance;

245 (2) The costs of the wellness program shall be separate and identifiable from any pet
246 insurance policy sold by a pet insurer and/or producer;

247 (3) The terms and conditions for the wellness program shall be separate from any pet
248 insurance policy sold by a pet insurer and/or producer;

249 (4) The products or coverages available through the wellness program shall not duplicate
250 products or coverages available through the pet insurance policy;

251 (5) The advertising of the wellness program shall not be misleading and shall be in
252 accordance with subsection (b) of this section; and

253 (6) A pet insurer and/or producer shall clearly disclose the following to consumers,
254 printed

255 in twelve-point (12) boldface type:

256 (i) That wellness programs are not insurance.

257 (ii) The address and customer service telephone number of the pet insurer or producer or
258 broker of record.

259 (iii) The Division of Insurance’s mailing address, toll-free telephone number, and website
260 address.

261 (c) Coverages included in the pet insurance policy contract described as “wellness”
262 benefits

263 are insurance.

264 SECTION 6. Insurance Producer Training.

265 (a) An insurance producer shall not sell, solicit, or negotiate a pet insurance product until
266 after the producer is appropriately licensed and has completed the required training
267 identified in

268 subsection (c) of this section.

269 (b) Insurers shall ensure that its producers are trained under subsection (c) of this section
270 and that its producers have been appropriately trained on the coverages and conditions of
271 its pet
272 insurance products.

273 (c) The training required under this subsection shall include information on the following
274 topics:

275 (1) Preexisting conditions and waiting periods;

276 (2) The differences between pet insurance and noninsurance wellness programs;

277 (3) Hereditary disorders, congenital anomalies or disorders and chronic conditions and

278 how

279 pet insurance policies interact with those conditions or disorders; and

280 (4) Rating, underwriting, renewal, and other related administrative topics.

281 (d) The satisfaction of the training requirements of another state that are substantially

282 similar to the provisions of subsection (c) of this section shall be deemed to satisfy the

283 training

284 requirements in this state.

285 SECTION 7. Violations.

286 Violations of this chapter shall be subject to chapters 175 and 176D.

287 SECTION 8. Effective Date.

288 This Act shall take effect 180 days after enactment.