American Pet Insurance Company

trupanion®

PET INSURANCE PROGRAM

Underwriting Rules and Rate Guidelines

EFFECTIVE:
October 1, 2021

6100 4th AVE S. STE 200 | 800.569.7913
SEATTLE, WA 98108 | APIC-PETINSURANCE.COM

COMPANY DIRECTORY

UNDERWRITING

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PHONE: 877-589-1841

CLAIMS

ADDRESS: 6100 4th Ave S. STE 200
Seattle, Washington 98108
PHONE: 855-266-2151

BILLING

ADDRESS: 6100 4th Ave S. STE 200
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PHONE: 855-266-2152

UNDERWRITING RULES & RATE GUIDELINES

PREMIUM

1. Your premium will not change due to your pet aging.
2. Your premium will not change due to your pet's individual claims experience.

ELIGIBILITY GUIDELINES

1. All domesticated dogs and cats less than 14 years old are eligible for enrollment

POLICY TERM

1. This policy is continuous until cancelled, and will renew automatically each month as long as your premium payments are current.

COVERAGE OPTIONS (not necessarily available on all plans – see plan details below):

1. **Co-Insurance** – Plans may be offered with co-insurance amounts ranging from 50% to 100% (this is the company's share of the cost of claims). Policy premiums will be adjusted according to the co-insurance offered/selected.
2. **Deductible** – Policy deductibles may be offered in amounts ranging from $0 to $1,000. Policy premium will be adjusted according to the deductible amount offered/selected.
3. **Veterinarian Exam Fees** – An additional surcharge will be applied if this coverage is offered/selected.
4. **Recovery & Complementary Care** – For an additional surcharge, the policy coverage will be expanded to include: acupuncture, behavioral assessment, chiropractic, homeopathy, hydrotherapy, naturopathy, physical therapy (rehabilitative therapy).
5. **Pet Owner Assistance Rider** (formerly known as 'Rider B') – These benefits include third party property damage liability, advertising and reward, boarding fees, holiday cancellation costs, and pet cremation or burial.

POLICY PLANS

1. **Trupanion –** This plan will be offered by Trupanion Managers USA, Inc; American Pet Insurance Company's Managing General Agency
    a. Premiums are payable monthly.
    b. For pets less than 14 years old.
    c. 90% co-insurance (only option).
    d. A Deductible from $0 to $1,000 to be determined by the owner.
    e. Veterinarian Exam Fee is not offered as an optional additional coverage.
    f. Recovery & Complementary Care Rider is included with all new policies unless the policyholder declines the coverage during enrollment.
    g. Pet Owner Assistance Rider (formerly known as 'Rider B') is available to the policyholder.
    h. Discounts Available – Web Link Partner, or Affinity Group, or Employee Benefits discounts may be applied if owner is eligible
        i. Only one of these will be applied to eligible pets.

2. **Exam Day Offer (Veterinary Examination Program):** This plan will be offered by Trupanion Managers USA, Inc; American Pet Insurance Company's Managing General Agency.
    a. For pets less than 14 years old.
    b. 90% co-insurance.
    c. A deductible level of $250.
    d. An 8.33% discount will be applied to the premium for the first year of the policy.
    e. The standard waiting periods will be waived.
    f. All other conditions of the policy will apply
    g. Pets must be enrolled within 24 hours after the pet has had a veterinary examination and after receiving a signed exam certificate.
    h. Premiums are payable monthly.
    i. The first month's premium will be deferred and will be billed and collected from the insured during months 2 through 12 of the policy.

3. **White Label Plan** – This plan will be made available to customers by agencies that are not affiliates of American Pet Insurance Company.
    a. For pets less than 14 years old.
    b. 50%-100% co-insurance.
    c. A set deductible ranging from $50 to $500.
    d. Veterinarian Exam Fee Coverage may be included.
    e. Recovery & Complementary Care Rider coverage may be included.

f. Pet Owner Assistance Rider coverage may be included.
g. Discounts Available – Web Link Partner, Affinity Group, or Employee Benefits discounts may be applied if owner is eligible.
    i. Only one of these discounts will be applied to eligible pets.

MEMBERSHIP BENEFIT FEE

1. A $35 administration fee charged to new customers when enrolling their first pet. Additional pets enrolled are not charged this fee. This fee is designed to cover the administrative costs of collecting medical records, and related to pet ID tags given to each pet enrolled. This includes the cost of 24/7 telephone coverage for lost dog services. These costs are spread over the duration of policy coverage.

PROMOTIONAL ITEMS

Each named insured may receive from time to time certain promotional offers. These offers include but are not limited to gift cards, coupons, gift certificates, items of merchandise, and similar promotional items.

Exclusions and stipulations, which restrict coverage, are contained in the Pet Health Insurance Policy.

RATING ORDER OF CALCULATIONS

RATE FORMULA

Base Rate
× Geographical Factor

× Age Factor
× 12 Month Continuous Enrollment Discount Factor
× Breed Factor
× Gender Factor
× Spay/Neuter Factor
× Working Pet Factor

× Deductible Factor
× Exam Fee Factor
× Co-Insurance Factor
× Recovery & Complementary Care Factor
+ Pet Owner Assistance Rider Rate

+ Expense Rate

× Web Link Partner Factor[1]
× Affinity Group Factor[1]
× Employee Benefit Factor[1]

= Monthly Premium Rate

Daily Premium Rate = Monthly Premium Rate * 12 / 365.25

[1] *Only one of these will be applied to eligible pets*

BASE RATE: $108.12

GEOGRAPHICAL FACTOR: Represents the relative local cost of veterinary care for a specific geographical area defined by zip (or postal) code(s) and implied by the assigned Group # given in Table 1 – Geographical Factors. The formula for calculating the factor is as follows:

Geographical Factor = (1.1)^((Group # - 50)/3)

Example: A geographical area assigned Group # 52.0 implies a Geographical Factor of 1.066.

AGE FACTORS:

Age	Cat	Dog
Less than 1 year old	0.662	0.817
1 year old	0.792	0.949
2 years old	0.898	1.048
3 years old	1.020	1.157
4 years old	1.157	1.277
5 years old	1.314	1.489
6 years old	1.491	1.701
7 years old	1.692	1.913
8 years old	1.921	2.125
9 years old	2.206	2.337
10 years old	2.491	2.549
11 years old	2.989	2.841
12 years old	3.487	3.132
13 years old	3.985	3.423

12 MONTH CONTINUOUS ENROLLMENT DISCOUNT FACTORS (*):

Age	Cat	Dog
Puppy/Kitten to 1 year old	0.836	0.861
1 year old -> 2 year old	0.882	0.906
2 year old -> 3 year old	0.880	0.906
3 year old -> 4 year old	0.882	0.906
4 year old -> 5 year old	0.881	0.858
5 year old -> 6 year old	0.881	0.875
6 year old -> 7 year old	0.881	0.889
7 year old -> 8 year old	0.881	0.900
8 year old -> 9 year old	0.871	0.909
9 year old -> 10 year old	0.886	0.917
10 year old -> 11 year old	0.833	0.897
11 year old -> 12 year old	0.857	0.907
12 year old -> 13 year old	0.875	0.915

(*) Continuous Enrollment Discounts are relative to the age at enrollment and apply in the month following 12 continuous months of enrollment. Premium factors are multiplicative over successive 12 month periods where enrollment is continuous.

BREED FACTORS: Represents the relative cost of veterinary care for a specific breed as implied by the assigned Group # given in Table 2 – Breed Factors. The formula for calculating the factor is as follows:

Breed Factor = (1.1)^((Group # - 50)/3)

Example: A breed assigned to Group # 46.0 implies a Breed Factor of 0.881.

GENDER FACTORS:

Coverage	Factor
Cat – Female	0.950
Cat – Male	1.050
Dog – Female	1.010
Dog – Male	0.990

SPAY/NEUTER FACTORS:

Status	Factor
Spay/Neutered	1.000
Intact Male	1.000
Intact Female	1.000
Intact Female - Breeding	1.733

WORKING PET FACTORS:

WP Group	Factor
1	0.949
2	1.000
3	1.000
4	1.000
5	1.000
6	1.000

DEDUCTIBLE FACTOR:

The factor for a $0 deductible is 1.896.
The formula for all other deductible levels ranging from $50 to $1,000 is as follows:

Deductible Factor = (1 – (D^0.1904) / 4.3210) x 2.9590
where D = the selected deductible amount

Example: The factor for a $500 deductible is 0.724.

CO-INSURANCE FACTORS:

Co-Insurance	Factor
100%	1.167
90%	1.050
80%	0.945
70%	0.840
60%	0.735
50%	0.630

EXAM FEE FACTORS:

Coverage	Factor
YES	1.200
NO	1.000

RECOVERY & COMPLEMENTARY CARE FACTORS:

Coverage	Factor
YES	1.137
NO	1.000

PET OWNER ASSISTANCE PACKAGE RATE:

Rider	Rate
YES	$4.95
NO	$0.00

EXPENSE RATE: $6.97

WEB LINK PARTNER FACTOR:

Web Link Partner	Factor
YES	0.940
NO	1.000

AFFINITY GROUP FACTOR:

Affinity Group	Factor
YES	0.890
NO	1.000

TABLE 1 – Please see the attached URM – Table 1 GEO FACTORS

TABLE 2 – Please see the attached URM – Table 2 BREED FACTORS