HIGHLIGHTS

Close to 2.43 million pets were insured at year-end 2018 in North America, an increase of 17.1% from 2017.

- 2.16 million pets were insured in the United States, an increase of +18.0% from 2018.
- 277,000 pets were insured in Canada, an increase of +10.9% from 2018.

The average age of insured dogs in 2018 was 4.58 years and the average age of insured cats was 5.51 years.
GROSS WRITTEN PREMIUM

All dollar amounts in this report are expressed in the country’s currency (U.S. and Canada) from 2014 to 2018.

Accident & Illness/Insurance with Embedded Wellness represented 93.1% of total Gross Written Premium in 2018 in North America.

In total, across North America, dogs represented approximately 88.9% of In-Force Gross Written Premium in 2018, for a total of $1.26 billion USD.
The combined total premium volume for all NAPHIA members in North America was approximately $1.42 billion USD in 2018.
USA (USD)
The United States continues to outpace Canada in premium volume growth.

2014 $588.4m  2015 $688.9m  2016 $836.6m  2017 $1.03B  2018 $1.3B

+24.0% from 2017
+23.2% from 2016
+21.4% from 2015
+17.1% from 2014

The annual average growth rate in the U.S. market since 2014: +21.4%

Canada (CAD)

2014 $102.6m  2015 $118.0m  2016 $139.3m  2017 $163.6m  2018 $192.7m

+17.8% from 2017
+17.5% from 2016
+18.0% from 2015
+15.0% from 2014

The annual average growth rate in the Canadian market since 2014: +17.1%
TYPES OF COVERAGE

NUMBER OF PETS IN THE U.S. AS A PERCENTAGE OF COVERAGE TYPE

In 2018 Accident & Illness plans continue to be the main driver in the PHI market. In the U.S., 98% of insured pets were covered either through an Accident & Illness plan or an Insurance with Embedded Wellness plan. The remaining 2% of insured pets were covered through an Accident Only plan.

AVERAGE ANNUAL PREMIUMS

Accident & Illness Plans generated an average annual premium of approximately $529 USD per pet in the U.S. and $647 CAD in Canada.

Accident Only Plans generated an average annual premium of approximately $177 USD per insured pet in the U.S. and $232 CAD in Canada.

The Average Claim amount paid for Accident & Illness plans was $284 USD in the U.S. and $316 CAD in Canada.
## USA (USD)

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident &amp; Illness</td>
<td>$457.67</td>
<td>$465.02</td>
<td>$517.63</td>
<td>$544.85</td>
<td>$566.34</td>
<td>+3.9%</td>
</tr>
<tr>
<td></td>
<td>$292.06</td>
<td>$316.30</td>
<td>$321.27</td>
<td>$342.37</td>
<td>$354.48</td>
<td>+3.5%</td>
</tr>
</tbody>
</table>

## Canada (CAD)

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident &amp; Illness</td>
<td>$593.32 -1.0%</td>
<td>$602.10 +1.5%</td>
<td>$649.04 +7.8%</td>
<td>$703.76 +8.4%</td>
<td>$734.10 +4.3%</td>
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</tr>
<tr>
<td></td>
<td>$334.97 -0.1%</td>
<td>$343.13 +2.4%</td>
<td>$364.63 +6.3%</td>
<td>$377.53 +3.5%</td>
<td>$400.32 +6.0%</td>
<td></td>
</tr>
</tbody>
</table>

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MEET THE PARTICIPANTS

All statistics and figures presented in this report are based on the data submitted to Willis Towers Watson by the participating companies. The data was collected by means of a survey questionnaire/data call, completed by the following companies (and their related entities/brands):

**Crum & Forster Pet Insurance Group**
- ASPCA Pet Health Insurance, Hartville Pet Insurance, PetPremium Pet Health Insurance, Prudent Pet

**Embrace Pet Insurance**
- Embrace, USAA, Geico, AllState, Bolt Agency, American Family, American Modern, Nationstar Mortgage, SWBC, Armed Forces, Leasing Desk

**FIGO Pet Insurance**

**Healthy Paws Pet Insurance & Foundation**

**Nationwide**

**PetFirst Pet Insurance**

**PetHealth Inc.**
- 24PetWatch, Ontario SPCA Pet Insurance Programs, Petango, PetCare, PTZ Insurance Services Ltd.

**Petline Insurance**
- Petsecure, Desjardins, HBC, CAA, The Personal, OVMA Pet Health Insurance, Peppermint

**PetPartners**
- PetPartners, AKC Pet Insurance and CFA Pet Insurance

**Petplan Pet Insurance**

**Pets Best Insurance**
- Pets Best Insurance, Farmers Insurance, Progressive Insurance, BB&T Insurance Services

**Pets Plus Us**

**Trupanion**

*Note: Not a NAPHIA member company.*

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Recognized as experts in travel insurance, credit card insurance, creditor/debtor insurance and other niche insurance markets, Willis Towers Watson provides these industries with unique market intelligence (through market surveys and varied consulting services). Willis Towers Watson monitors these markets, including various industry events, developments and innovations affecting insurance and brings this knowledge to bear across a variety of disciplines to provide best-in-class support for product development, underwriting and actuarial support, and assistance with third party provider relationships.