

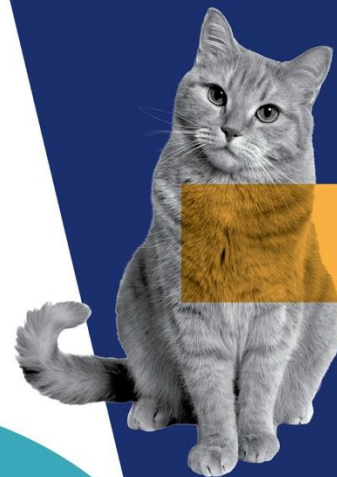


STATE OF THE INDUSTRY REPORT

2026 HIGHLIGHTS

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The 2026 NAPHIA State of the Industry Report Highlights

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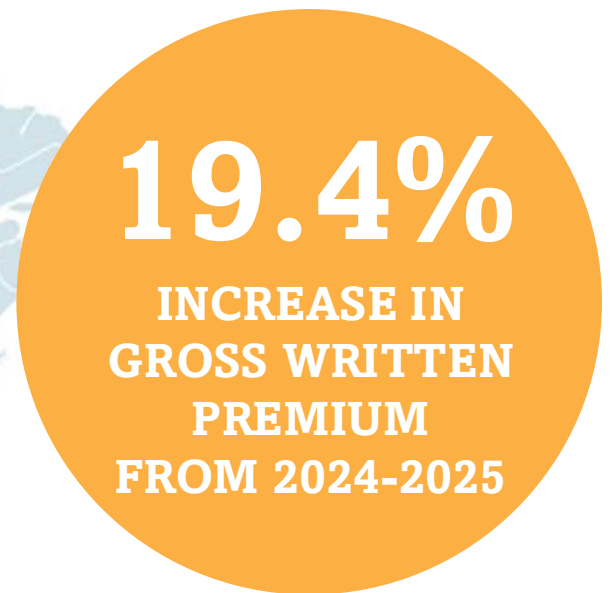
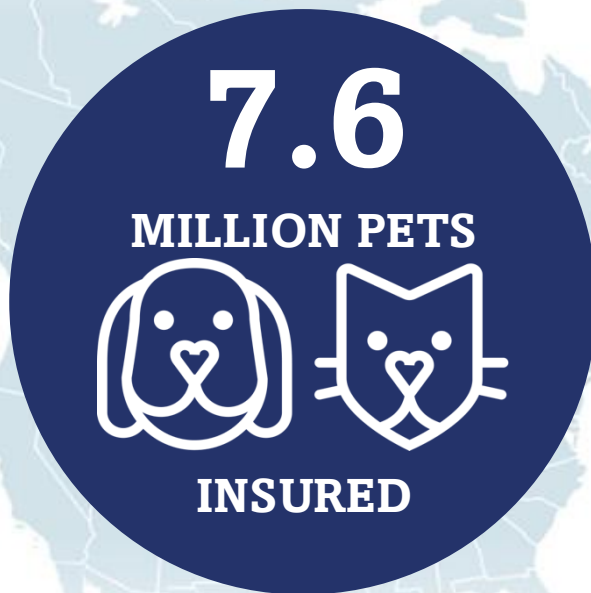
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About NAPHIA

HIGHLIGHTS

Key North American Benchmarks





**Shown in USD*



Pet Insurance Market (U.S.)*



DOGS

5.99%

PENETRATION RATE

163.6

MILLION PETS
(IN U.S.)

4.27%

PENETRATION
RATE



CATS

2.29%

PENETRATION RATE

There were approximately 87.3 million dogs and 76.3 million cats owned in the U.S.
(Source, American Veterinary Medical Association (AMVA) Pet Owner Survey 2025)



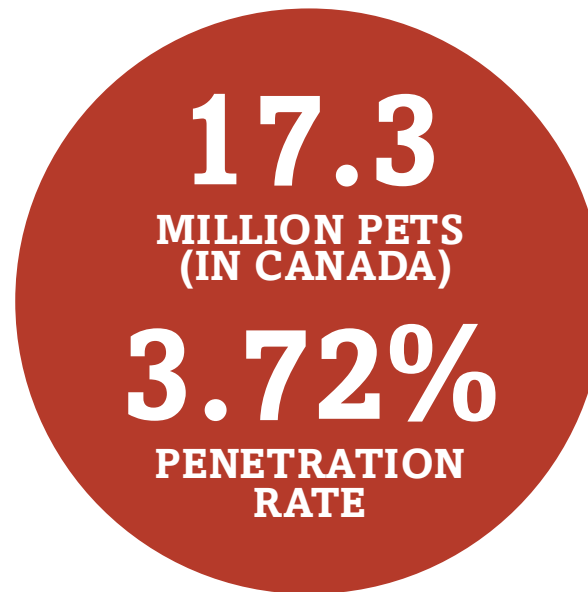
Pet Insurance Market (Canada)*



DOGS

5.64%

PENETRATION RATE



CATS

1.91%

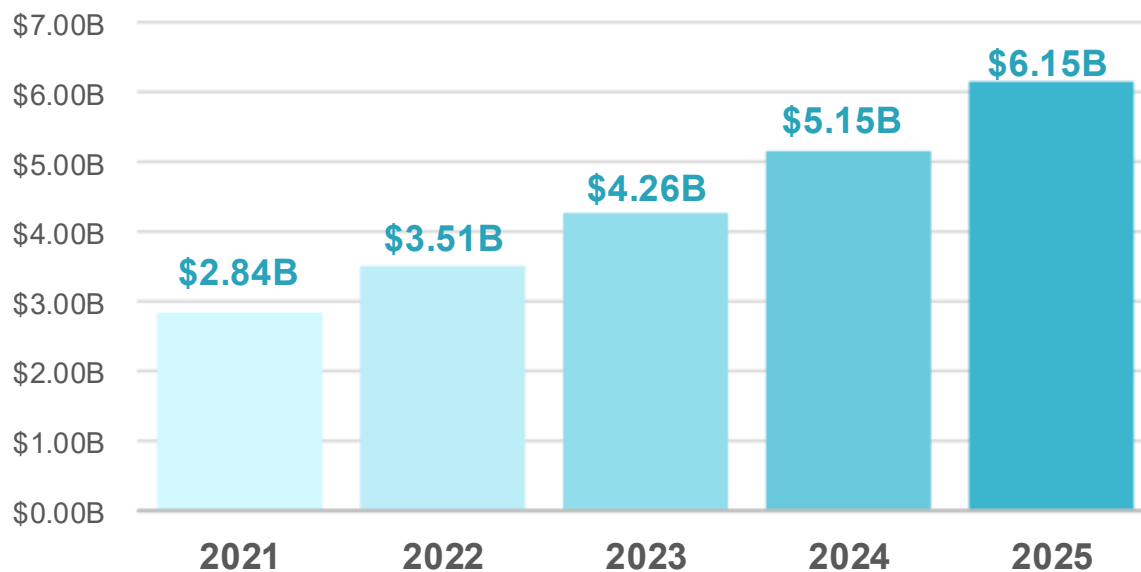
PENETRATION RATE

There were approximately 8.4 million dogs and 8.9 million cats owned in Canada.
(Source, Statista May 2026)



In-Force GWP (North America)*

(USD in billions)



YEAR-OVER-YEAR VARIANCE

- 19.4% increase from 2024 to 2025
- 20.8% increase from 2023 to 2024
- 21.7% increase from 2022 to 2023
- 23.5% increase from 2021 to 2022

SECTION #1

Introduction and Methodology



Introduction and Methodology

The North American Pet Health Insurance Association (NAPHIA) is pleased to present the 2026 NAPHIA State of the Industry Report (SOI Report) that reflects the 2025 calendar year. NAPHIA State of the Industry data is estimated to represent approximately 99% of the written pet health insurance premium in the U.S. and Canada.

The objective of the SOI Report is to provide a thorough understanding of the size of the North American Pet Health Insurance industry and monitor its performance and growth in key areas. The SOI Report also aims to provide participants with a comprehensive and credible benchmarking tool.

The following products are monitored in the NAPHIA SOI Report:

- **Accident Only:** Foreign body ingestion, lacerations, motor vehicle accident, ligament tears, poisoning, etc.
- **Accident & Illness:** Accident benefits plus illnesses such as cancer, infections, digestive problems, etc.
- **Insurance with Embedded Wellness:** Comprehensive plans that may include vaccinations, early screening diagnostics, consultations for proper nutrition, dental care, etc.
- **Endorsements:** Riders such as wellness or cancer endorsements

Each year, NAPHIA conducts an industry-wide survey and gathers key publicly available information about the marketplace. This data is then aggregated and analyzed to produce a set of established benchmarks and statistics which are incorporated into our SOI Report.

Certain reported information is based solely on data provided by NAPHIA members. However, not all of the information in the SOI Report relates to pets enrolled by NAPHIA members. For that information, we rely on publicly-available data, and, where necessary, make assumptions that we consider reasonable.

The data in this SOI Report is compiled by Willis Towers Watson, an independent third-party organization that manages the collection and compilation of the survey data. The data is reviewed in detail and reasonableness tests are conducted to ensure that the data is reported accurately. Follow-ups with participants are also conducted to validate certain findings.

DISCLAIMER: NAPHIA and Willis Towers Watson assume no liability of any kind regarding the information contained in the SOI Report, or the accuracy of the information received during the scope of the research. **The information in this SOI Report does not constitute investment, legal, accounting, or tax advice.**

Aggregate Results Compiled

- ▶ “In-Force data” is based on End-of-Year (EOY) results as submitted in the survey questionnaire/data call and supplemented by data from publicly-available sources. In-Force GWP and Total Insured Pets data are as at December 31, 2025.

Unless otherwise indicated, all dollar amounts in this report are expressed in the country’s currency from 2021 to 2025



= USD



= CAD

SECTION #2

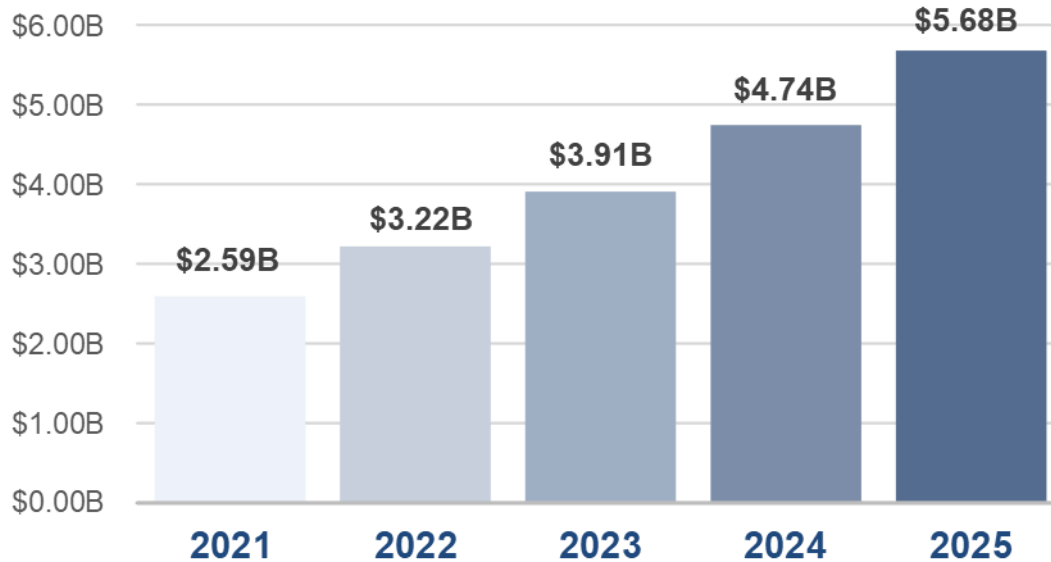
Gross Written Premium





In-Force GWP (U.S.)*

(USD in billions)



YEAR-OVER-YEAR VARIANCE

- 19.7% increase from 2024 to 2025
- 21.4% increase from 2023 to 2024
- 21.4% increase from 2022 to 2023
- 24.2% increase from 2021 to 2022

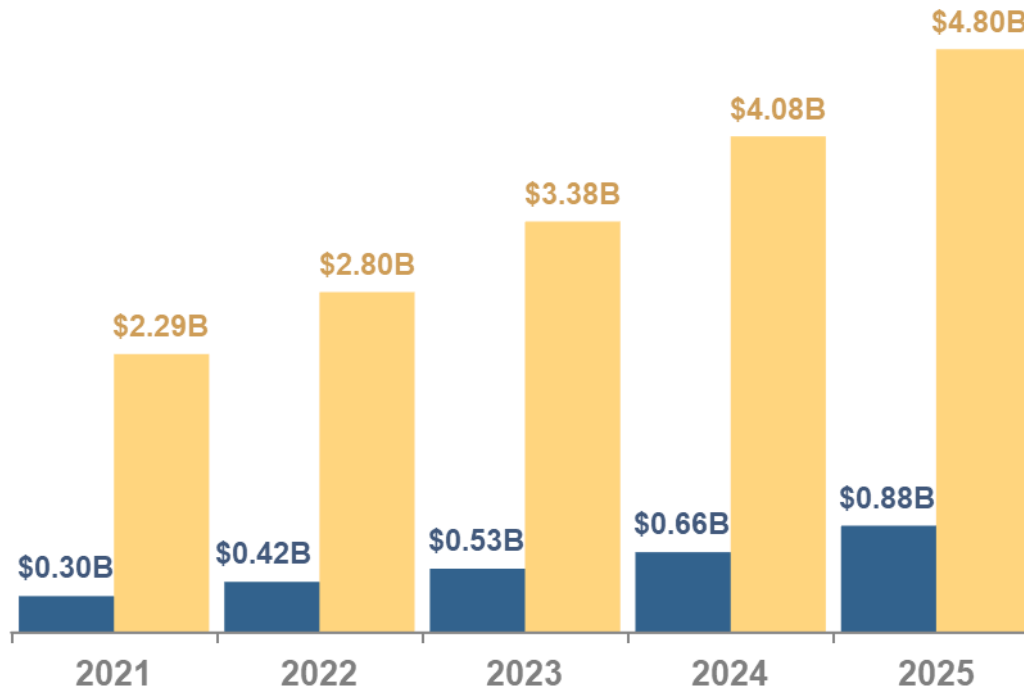
- ▶ The total premium volume in the U.S., as reported by NAPHIA members and public sources, amounted to about \$5.7 billion at year-end 2025.
- ▶ The U.S. market continues to experience double-digit increases; however, the growth has slowed the past 3 years, remained steady in 2025 with a YoY variance of 19.7%

Gross Written Premium



In-Force GWP, Dogs and Cats (U.S.)*

(USD in billions)



YEAR-OVER-YEAR VARIANCE

DOGS

- 17.6% increase from 2024 to 2025
- 20.7% increase from 2023 to 2024
- 20.7% increase from 2022 to 2023
- 22.2% increase from 2021 to 2022

CATS

- 33.1% increase from 2024 to 2025
- 25.7% increase from 2023 to 2024
- 26.0% increase from 2022 to 2023
- 39.1% increase from 2021 to 2022

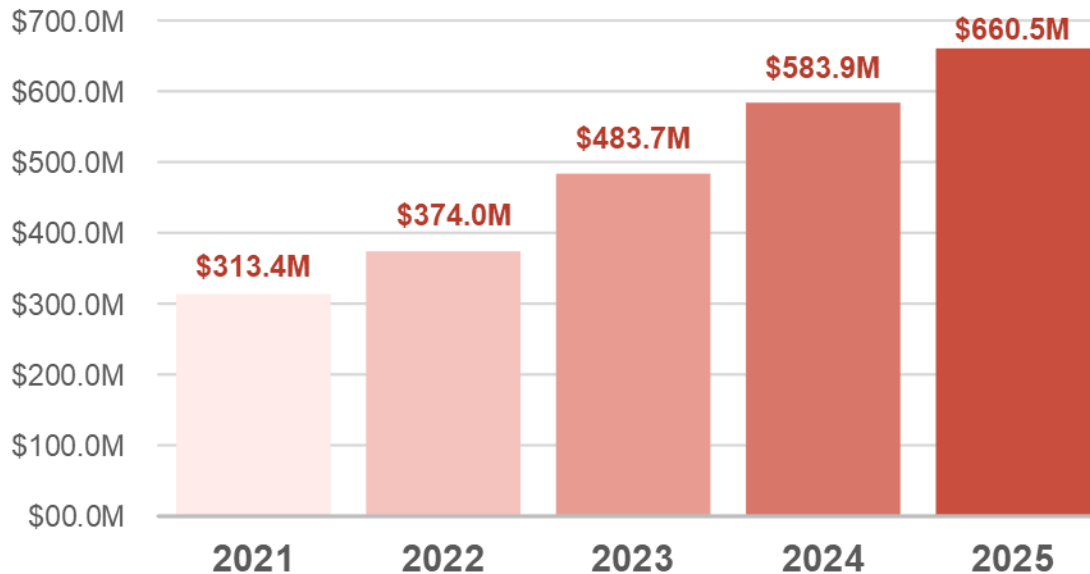
- ▶ GWP for insured dogs represented 84.5% of the total U.S. volume in 2025
- ▶ GWP for insured cats represented 15.5% of the total U.S. volume in 2025

Gross Written Premium



In-Force GWP (Canada)*

(CAD in millions)



YEAR-OVER-YEAR VARIANCE

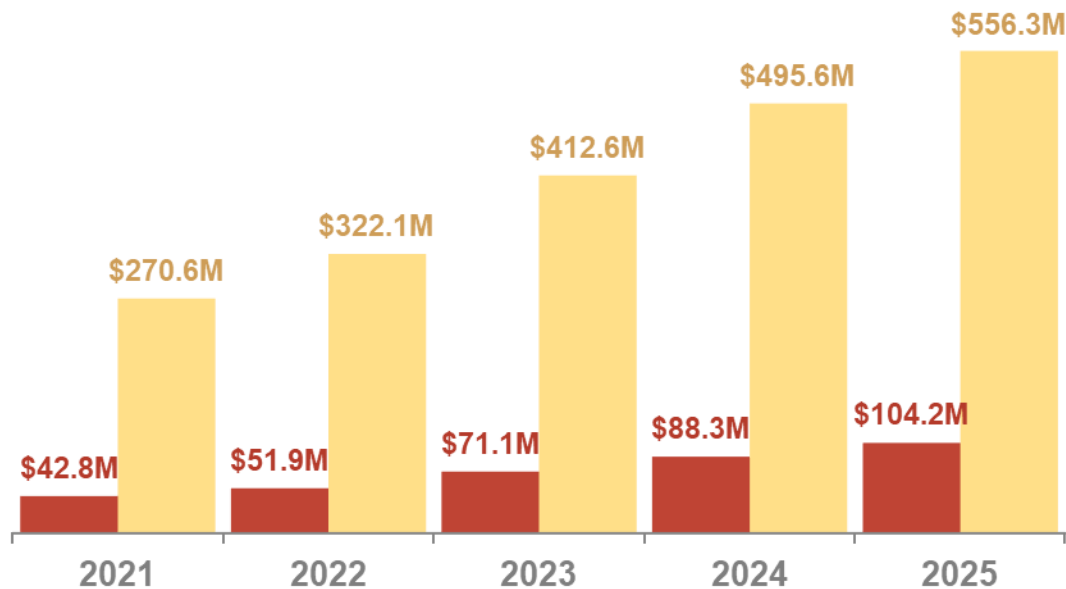
- 13.1% increase from 2024 to 2025
- 20.7% increase from 2023 to 2024
- 29.3% increase from 2022 to 2023
- 19.3% increase from 2021 to 2022

- ▶ The total premium volume in Canada, as reported by NAPHIA and publicly available documents, amounted to \$660.5 million at year-end 2025, an increase of 13.1% with the lowest growth rate since the start of the pandemic.
- ▶ The 5-year average annual growth rate was 20.5%, slightly below the U.S. 5-year average annual growth rate of 21.7%.



In-Force GWP, Dogs and Cats (Canada)*

(CAD in millions)



YEAR-OVER-YEAR VARIANCE

DOGS

- 12.2% increase from 2024 to 2025
- 20.1% increase from 2023 to 2024
- 28.1% increase from 2022 to 2023
- 19.0% increase from 2021 to 2022

CATS

- 18.0% increase from 2024 to 2025
- 24.2% increase from 2023 to 2024
- 37.0% increase from 2022 to 2023
- 21.3% increase from 2021 to 2022

- ▶ Insured dogs represented approximately 84.2% of In-Force GWP in 2025, for a total of \$556.3 million
- ▶ GWP for insured cats continues to experience higher year over year growth than insured dogs, representing approximately 15.8% of In-Force GWP in 2025, for a total of \$104.2 million

SECTION #3

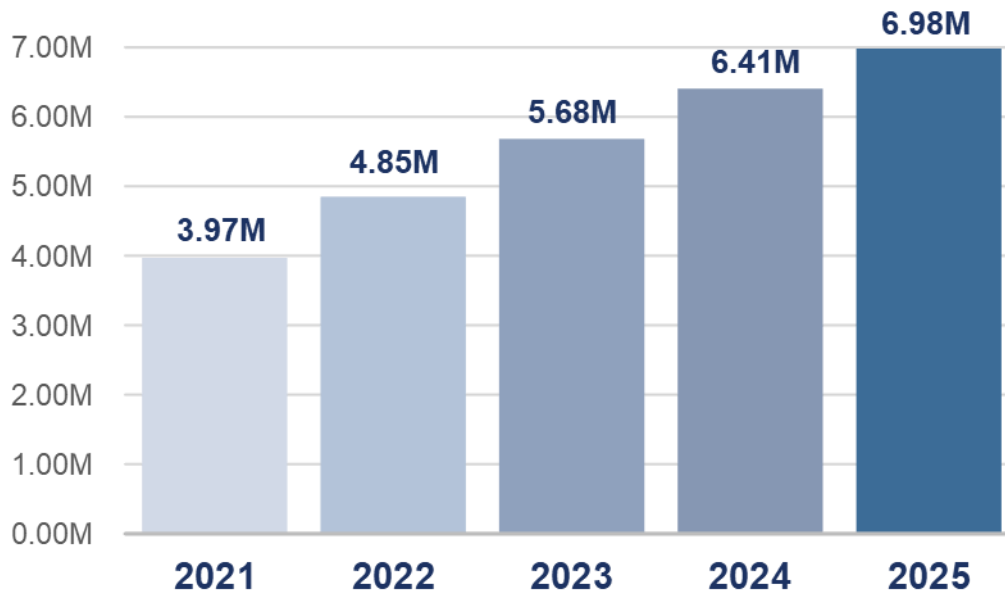
Number of Pets





Total Insured Pets In-Force (U.S.)*

(in millions)



YEAR-OVER-YEAR VARIANCE

Total Insured Pets % increase

- 9.0% increase from 2024 to 2025
- 12.7% increase from 2023 to 2024
- 17.2% increase from 2022 to 2023
- 22.1% increase from 2021 to 2022

In-Force GWP % increase

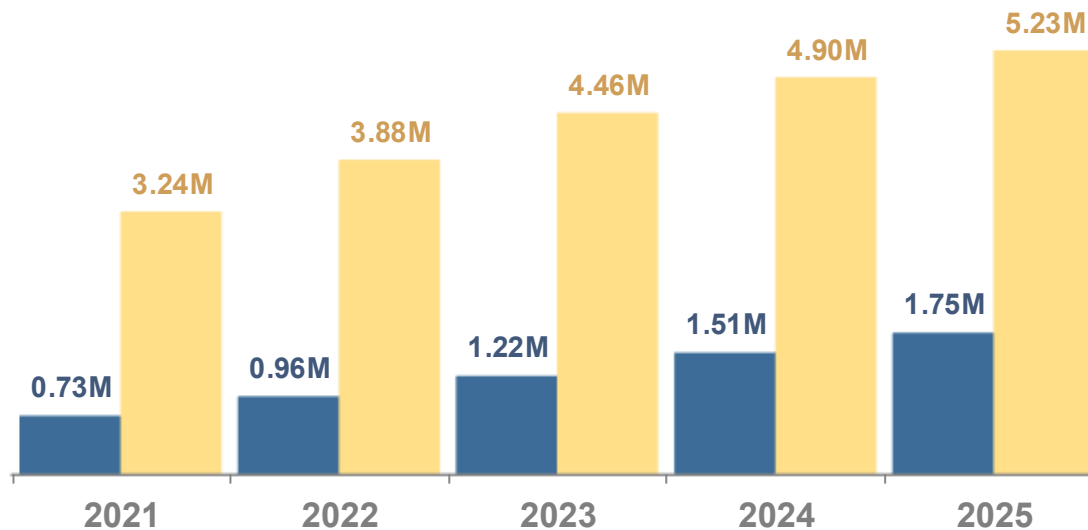
- 19.7% increase from 2024 to 2025
- 21.4% increase from 2023 to 2024
- 21.4% increase from 2022 to 2023
- 24.2% increase from 2021 to 2022

- ▶ Results for 2025 show a 9.0% increase in Total Insured Pets in-force in the U.S.
- ▶ Total Insured Pets In-Force has grown ~76% over the past 5 years
- ▶ In-Force GWP growth continues to outpace the Total Insured Pets In-Force growth YoY due to consistent increase in YoY average premium.



Total Insured In-Force Dogs and Cats (U.S.)*

(in millions)



YEAR-OVER-YEAR VARIANCE

DOGS

- 6.8% increase from 2024 to 2025
- 9.8% increase from 2023 to 2024
- 14.9% increase from 2022 to 2023
- 19.7% increase from 2021 to 2022

CATS

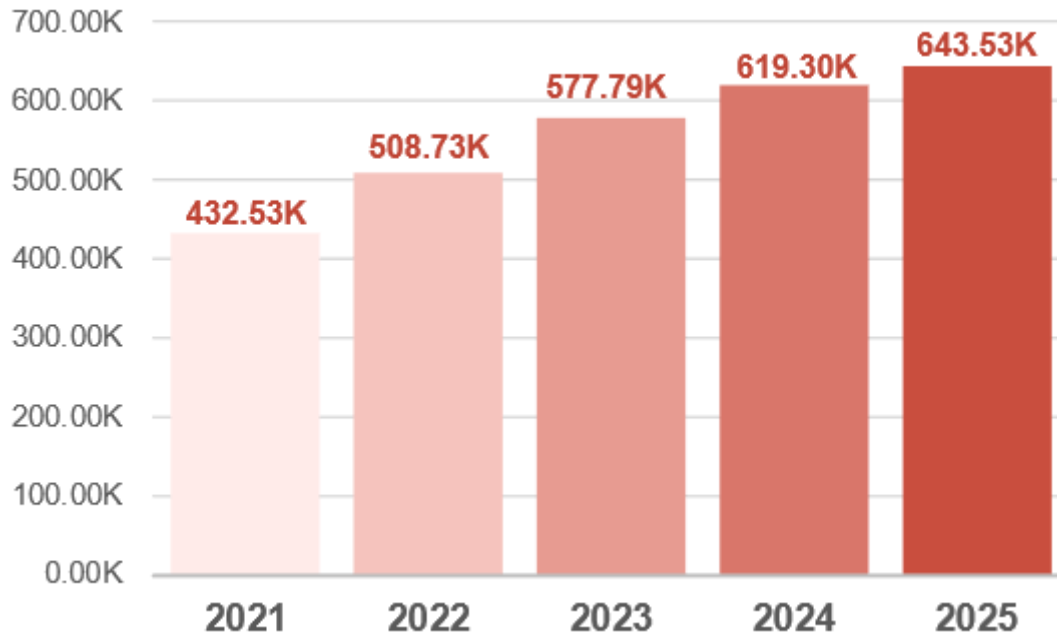
- 16.3% increase from 2024 to 2025
- 23.5% increase from 2023 to 2024
- 26.3% increase from 2022 to 2023
- 32.9% increase from 2021 to 2022

- ▶ Dogs make up the majority of insured pets in the United States, with 74.9% of insured dogs and 25.1% of insured cats, representing a change from the previous year (76.5% / 23.5%)
- ▶ Insured cats' market share has been increasing YoY since 2020 (18.3% in 2021, 19.9% in 2022 and 21.4% in 2023 and 23.5% in 2024 and 25.1% in 2025)



Total Insured Pets in-Force (Canada)

(in thousands)



YEAR-OVER-YEAR VARIANCE

Total Insured Pets % increase

3.9% increase from 2024 to 2025

7.2% increase from 2023 to 2024

13.6% increase from 2022 to 2023

17.6% increase from 2021 to 2022

In-Force GWP % increase

13.1% increase from 2024 to 2025

20.7% increase from 2023 to 2024

29.3% increase from 2022 to 2023

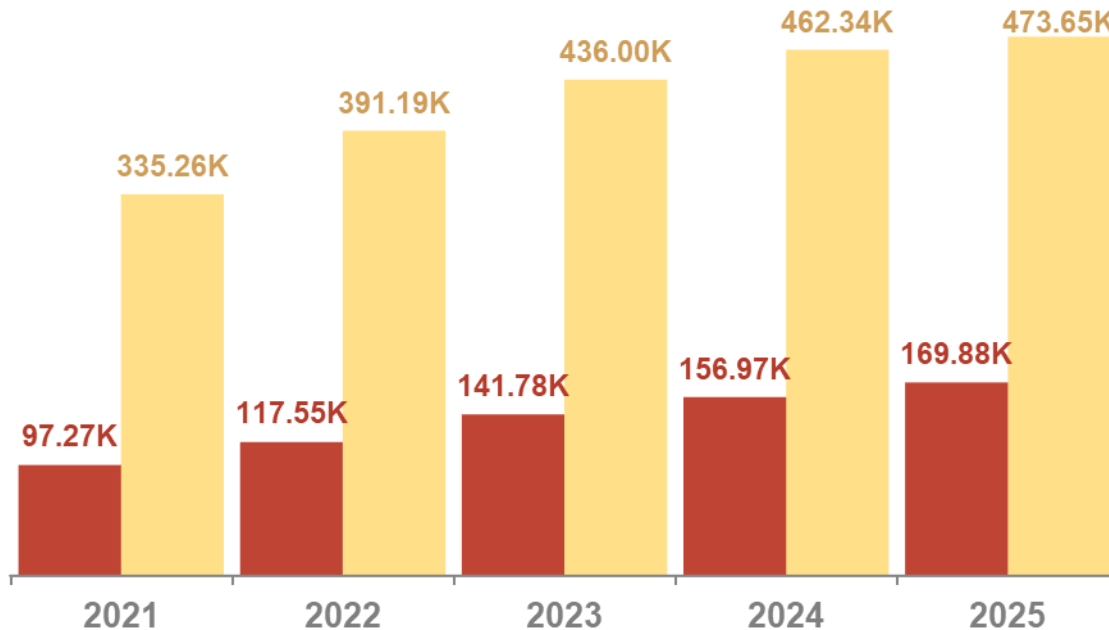
19.3% increase from 2021 to 2022

- ▶ Results for 2025 show a slowing increase of 3.9% in Total Insured Pets in-force in Canada, the smallest growth in 5 years
- ▶ Total Insured Pets in-force has grown 48.8% over the past 5 years.



Total Insured In-Force Dogs and Cats (Canada)*

(in thousands)



YEAR-OVER-YEAR VARIANCE

DOGS

- 2.4% increase from 2024 to 2025
- 6.0% increase from 2023 to 2024
- 11.5% increase from 2022 to 2023
- 16.7% increase from 2021 to 2022

CATS

- 8.2% increase from 2024 to 2025
- 10.7% increase from 2023 to 2024
- 20.6% increase from 2022 to 2023
- 20.8% increase from 2021 to 2022

- ▶ Based on the results of the study, dogs make up the majority of insured pets in Canada (73.6% insured dogs vs. 26.4% insured cats)
- ▶ Canada has historically insured a higher proportion of cats than the U.S. The insured cat proportion in the U.S. was 25.1% in 2025

SECTION #4

Average Annual Premiums



Average Annual Premiums



Average Annual Premium Per Cat, Per Dog (U.S.)*

(USD)

	2021	2022	2023	2024	2025
Insurance with Embedded Wellness					
Cats	\$559	\$614	\$626	\$651	\$859
(%) variation	+3.1%	+9.8%	+2.0%	+4.0%	+31.9%
Dogs	\$1,051	\$1,134	\$1,263	\$1,321	\$1,414
(%) variation	+6.0%	+7.9%	+11.4%	+4.6%	+7.0%
Accident & Illness					
Cats	\$370	\$387	\$383	\$386	\$435
(%) variation	+0.8%	+4.7%	-1.1%	+0.9%	+12.6%
Dogs	\$625	\$640	\$675	\$749	\$836
(%) variation	+2.0%	+2.4%	+5.5%	+11.0%	+11.5%
Accident Only					
Cats	\$121	\$122	\$116	\$110	\$112
(%) variation	-0.3%	+1.0%	-5.0%	-5.2%	+1.4%
Dogs	\$192	\$201	\$204	\$193	\$190
(%) variation	+4.3%	+4.3%	+1.8%	-5.3%	-1.6%



Average Annual Premium Per Cat, Per Dog (Canada)* (CAD)

	2021	2022	2023	2024	2025
Insurance with Embedded Wellness					
Cats	\$957	\$1,036	\$1,162	\$1,230	\$1,499
(%) variation	+1.0%	+8.2%	+12.2%	+5.8%	+21.9%
Dogs	\$1,725	\$1,866	\$2,117	\$2,330	\$2,623
(%) variation	+2.1%	+8.1%	+13.5%	+10.0%	+12.6%
Accident & Illness					
Cats	\$425	\$427	\$489	\$550	\$601
(%) variation	+15.7%	+0.5%	+14.3%	+12.6%	+9.1%
Dogs	\$797	\$814	\$941	\$1,070	\$1,176
(%) variation	+1.9%	+2.2%	+15.6%	+13.7%	+9.9%
Accident Only					
Cats	\$189	\$198	\$211	\$222	\$212
(%) variation	+14.4%	+4.9%	+6.8%	+4.9%	-4.4%
Dogs	\$242	\$248	\$263	\$270	\$251
(%) variation	+20.6%	+2.3%	+6.1%	+2.6%	-6.9%

SECTION #5

Pets and GWP Distribution



Pets and GWP Distribution


U.S.*

Pets and GWP Distribution by State (2025)

TOP 10 STATES	PETS	GWP
California	18.1%	19.9%
New York	7.4%	8.1%
Florida	6.2%	6.5%
Texas	6.1%	5.6%
New Jersey	4.7%	5.1%
Pennsylvania	4.5%	4.6%
Washington	3.8%	3.8%
Massachusetts	3.4%	4.0%
Illinois	3.3%	3.5%
Colorado	3.0%	3.2%


Canada*

Pets and GWP Distribution by Province (2025)

PROVINCES	PETS	GWP
Ontario	36.2%	37.6%
British Columbia	23.1%	25.5%
Alberta	18.7%	17.9%
Quebec	13.2%	11.6%
Manitoba	2.4%	1.9%
Nova Scotia	2.1%	1.9%
Saskatchewan	1.0%	0.9%
Nunavut	1.0%	0.8%
Newfoundland & Labrador	0.9%	0.8%
New Brunswick	0.9%	0.8%
Prince Edward Island	0.4%	0.3%
Yukon	0.1%	0.1%
Northwest Territories	0.1%	0.1%



U.S. Market (Full)* Pets and GWP Distribution by State (2025)

STATE	PETS	GWP	STATE	PETS	GWP	STATE	PETS	GWP
California	18.1%	19.9%	Oregon	1.7%	1.6%	Idaho	0.5%	0.4%
New York	7.4%	8.1%	Nevada	1.4%	1.2%	Kansas	0.4%	0.3%
Florida	6.2%	6.5%	Minnesota	1.4%	1.2%	New Mexico	0.4%	0.3%
Texas	6.1%	5.6%	Wisconsin	1.4%	1.2%	District of Columbia	0.4%	0.4%
New Jersey	4.7%	5.1%	South Carolina	1.3%	1.1%	Delaware	0.4%	0.3%
Pennsylvania	4.5%	4.6%	Tennessee	1.3%	1.1%	Nebraska	0.3%	0.2%
Washington	3.8%	3.8%	Indiana	1.2%	0.9%	Arkansas	0.3%	0.2%
Massachusetts	3.4%	4.0%	Missouri	1.1%	0.8%	Alaska	0.3%	0.3%
Illinois	3.3%	3.5%	Utah	0.8%	0.7%	Vermont	0.3%	0.2%
Colorado	3.0%	3.2%	New Hampshire	0.8%	0.9%	Montana	0.3%	0.2%
Virginia	3.0%	3.1%	Alabama	0.6%	0.4%	West Virginia	0.2%	0.2%
North Carolina	2.7%	2.5%	Kentucky	0.6%	0.4%	Mississippi	0.2%	0.2%
Ohio	2.6%	2.2%	Maine	0.6%	0.5%	North Dakota	0.1%	0.1%
Georgia	2.3%	2.0%	Rhode Island	0.5%	0.5%	Wyoming	0.1%	0.1%
Maryland	2.1%	2.3%	Iowa	0.5%	0.4%	South Dakota	0.1%	0.1%
Arizona	2.1%	2.1%	Louisiana	0.5%	0.4%	Not Tracked	0.0%	0.0%
Michigan	2.0%	1.7%	Hawaii	0.5%	0.5%			
Connecticut	1.7%	2.0%	Oklahoma	0.5%	0.3%			

* See Appendix, Footnote 2

SECTION #6

Claims





Most Common Medical Conditions Cats & Dogs (2025) – North America*

Dogs	Cats
GI	GI
Otitis / Ear Infection	Dental Disease
Skin Conditions (Infections, Mass, Dermatitis)	Urinary Tract Infection
Anxiety / Behavioral condition / Neuro Issues	Anxiety / Behavioral condition / Neuro Issues
Allergies	Respiratory
Growth / Mass	Kidney
Eye and Vision Disorders	Otitis / Ear Infection
Diarrhea	Endocrinology (Hyperthyroidism)
Urinary Tract Infection	Vomiting
Musculoskeletal	Arthritis / Osteoarthritis
Exam / Wellness	Diabetes
Vomiting	Eye and Vision Disorders



Top Claims Paid – Dogs (2025) North America*

Breed	Sex	Age	Claim Paid Amount	Location	Condition
Bernese Mountain Dog	M	3	\$66.6K	Philadelphia, PA	Undiagnosed Illness - Chronic
Small Mixed Breed	M	10	\$60.1K	San Mateo, CA	Undiagnosed Hepatopathy
Toy Poodle Mix	M	4	\$59.7K	NJ	Bite wounds
Medium Mixed Breed	M	6	\$56.7K	Philadelphia, PA	Renal Failure - Acute
Old English Sheepdog	F	9	\$54.7K	Brooklyn, NY	Anemia
Medium Mixed Breed	F	13	\$46.7K	Mercer Island, WA	Kidney Disease
Jack Russell	M	13	\$43.6K	Middletown, DE	Valvular Heart Disease
Greyhound	M	10	\$43.4K	Chicago, IL	Wound
Cavalier King Charles Spaniel	M	10	\$42.6K	Gainesville, FL	Heart Disease
Shetland Sheepdog	F	13	\$42.3K	Garden City, ID	Undiagnosed Illness - Acute



Top Claims Paid – Cats (2025) North America*

Breed	Sex	Age	Claim Paid Amount	Location	Condition
American Shorthair	M	4	\$51.6K	Los Angeles, CA	Cancer
Domestic Medium Hair	M	3	\$50.0K	Portland, OR	Corneal Ulcer
Mixed Medium Hair	M	7	\$45.9K	Kirkland, WA	Hepatopathy
Domestic Medium Hair	M	4	\$37.4K	Kirkland, WA	Trauma
American Longhair	M	3	\$36.6K	Non-Disclosed	Urinary system- other
Bengal	M	12	\$35.9K	Union City, NJ	Kidney Disease
Domestic Shorthair	F	11	\$31.9K	AZ	Pyelonephritis
Ragdoll	F	5	\$26.4K	Campbell, CA	Hepatopathy
Mixed Medium Hair	F	6	\$25.4K	Petaluma, CA	Pneumonia
Mixed Domestic Shorthair	M	13	\$24.5K	Los Angeles, CA	Azotemia

Footnote References

In addition to the disclosures and disclaimers found on pages 8-10 of this document explaining methodology, certain pages also contain a footnote reference:

If a slide references **Appendix Footnote 1**, the following additional disclosures apply:

- Data included on these pages represents information from NAPHIA member-contributed data as well as data gathered from other publicly available sources. Such sources include, but are not limited to, public-facing corporate filings, insurance filings available to industry operators, company website(s), and the like. Where applicable, all data is aggregated. In some instances, where necessary, actuarial inferences, including those based on historical trends, were applied to the aggregate publicly available data to determine approximate allocations.

If a slide references **Appendix Footnote 2**, the following additional disclosures apply:

- Data included on these pages represents NAPHIA member-contributed data only.

ABOUT



naphia

NORTH AMERICAN PET HEALTH
INSURANCE ASSOCIATION

The North American Pet Health Insurance Association (NAPHIA) is comprised of the majority of pet health insurance (PHI) organizations operating across Canada and the United States.

As a trade association, NAPHIA's membership works to advance and grow the pet health insurance industry through proactive research, data sharing and benchmarking initiatives, advocacy efforts, strategic partnerships, and by collaborating to address challenges, and opportunities.

Each year, the industry marks its performance and growth with the release of this *NAPHIA State of the Industry Report* ©2026.

Learn more at naphia.org