

By: Representatives Zuber, Stamps

To: Insurance

HOUSE BILL NO. 1191

1 AN ACT TO ESTABLISH THE LEGAL FRAMEWORK BY WHICH PET
 2 INSURANCE MAY BE SOLD IN THIS STATE; TO PROVIDE DEFINITIONS; TO
 3 REQUIRE THAT A PET INSURER TRANSACTING PET INSURANCE DISCLOSE
 4 CERTAIN INFORMATION TO CONSUMERS; TO PROVIDE THAT ANY PERSON WHO
 5 IS LICENSED IN A MAJOR LINE OF AUTHORITY AND APPOINTED BY A PET
 6 INSURER MAY BE AUTHORIZED TO SELL, SOLICIT OR NEGOTIATE A PET
 7 INSURANCE PRODUCT; TO AUTHORIZE THE COMMISSIONER OF INSURANCE TO
 8 ESTABLISH TRAINING REQUIREMENTS FOR INSURANCE PRODUCERS SELLING
 9 PET INSURANCE; TO AUTHORIZE THE COMMISSIONER OF INSURANCE TO ISSUE
 10 ANY RULES AND REGULATIONS AS NECESSARY FOR THE IMPLEMENTATION OF
 11 THE ACT; AND FOR RELATED PURPOSES.

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

13 **SECTION 1.** The purpose of this act is to promote the public
 14 welfare by creating a comprehensive legal framework within which
 15 pet insurance may be sold in this state. The provisions of this
 16 act shall apply to pet insurance policies that are issued to any
 17 resident of this state, and are sold, solicited, negotiated or
 18 offered in this state, and policies or certificates that are
 19 delivered or issued for delivery in this state. All other
 20 applicable provisions of the insurance laws of this state shall
 21 continue to apply to pet insurance.



22 **SECTION 2.** The following words and phrases shall have the
23 meanings as defined in this section unless the context clearly
24 indicates otherwise:

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

27 (b) "Congenital anomaly or disorder" means a condition
28 that is present from birth, whether inherited or caused by the
29 environment, which may cause or contribute to illness or disease.

30 (c) "Hereditary disorder" means an abnormality that is
31 genetically transmitted from parent to offspring and may cause
32 illness or disease.

33 (d) "Pet insurance" means a property insurance policy
34 that provides coverage for accidents and illnesses of pets.

35 (e) "Preexisting condition" means any condition for
36 which any of the following are true before the effective date of a
37 pet insurance policy or during any waiting period:

38 (i) A veterinarian provided medical advice;

39 (ii) The pet received previous treatment; or

40 (iii) Based on information from verifiable
41 sources, the pet had signs or symptoms directly related to the
42 condition for which a claim is being made.

43 A condition for which coverage is afforded on a policy cannot
44 be considered a preexisting condition for any renewal of the
45 policy.



46 (f) "Renewal" means to issue and deliver at the end of
47 an insurance policy period a policy which supersedes a policy
48 previously issued and delivered by the same pet insurer or
49 affiliated pet insurer and which provides types and limits of
50 coverage substantially similar to those contained in the policy
51 being superseded.

52 (g) "Wellness program" means a subscription or
53 reimbursement-based program that is separate from an insurance
54 policy that provides goods and services to promote the general
55 health, safety or wellbeing of the pet. Any wellness program that
56 meets the definition of insurance as provided in Section 83-5-5
57 shall be considered insurance and shall be subject to the
58 insurance code. This definition is not intended to classify a
59 contract directly between a service provider and a pet owner that
60 only involves the two parties as being "the business of
61 insurance," unless other indications of insurance also exist.

62 **SECTION 3.** A pet insurer transacting pet insurance shall
63 disclose, at a minimum, the following to consumers:

64 (a) Whether the policy excludes coverage due to any of
65 the following reasons:

- 66 (i) A preexisting condition;
67 (ii) A hereditary disorder;
68 (iii) A congenital anomaly or disorder; or
69 (iv) A chronic condition.



70 (b) If the policy includes any other exclusions, the
71 following statement: "Other exclusions may apply. Please refer to
72 the exclusions section of the policy for more information."

73 (c) Whether any policy provision limits coverage
74 through a waiting or affiliation period, deductible, coinsurance
75 or an annual or lifetime policy limit.

76 (d) Whether the pet insurer reduces coverage or
77 increases premiums based on the insured's claim history, the age
78 of the covered pet or a change in the geographic location of the
79 insured.

80 (e) Whether the underwriting company differs from the
81 brand name used to market and sell the product.

82 **SECTION 4.** (1) Any person licensed in a major line of
83 authority and appointed by a pet insurer may be authorized to
84 sell, solicit or negotiate a pet insurance product.

85 (2) The commissioner may establish training requirements for
86 insurance producers selling pet insurance to ensure that producers
87 have been appropriately trained on the coverages and conditions of
88 its pet insurance products.

89 (3) The satisfaction of the training requirements of another
90 state that the commissioner determines are substantially similar
91 to the provisions established under subsection (2) of this section
92 shall be deemed to satisfy the training requirements provisions of
93 this state.



94 **SECTION 5.** The commissioner may issue rules and regulations
95 to implement and administer the provisions of this act including,
96 but not limited to, rules and regulations establishing policy
97 disclosures, policy conditions, sales practices for selling
98 wellness programs and penalties for violations of any law or
99 regulations regarding the sale of pet insurance.

100 **SECTION 6.** This act shall take effect and be in force from
101 and after July 1, 2023.

