



CRUM & FORSTER®

A FAIRFAX COMPANY

March 13, 2025

The Honorable Joseph Solomon
House Committee on Corporations
Rhode Island State House
Providence, RI 02903

Re: Testimony in Support HB 5569 Relating to Pet Insurance – SUPPORT with Amendments
Introduced By: Representative Joseph J. Solomon

Dear Chairman Solomon and Committee Members:

Good afternoon. My name is Caren Alvarado, and I am VP of Regulatory Affairs for Crum& Forster, a subsidiary of Fairfax Holdings. My organization has been writing pet insurance for many years, is fully licensed in all 50 states, including Hawaii, and we are therefore very familiar with the unique intricacies of these products and the marketplace. I am also Co-Chair of the Regulatory Committee for the North American Pet Health Insurance Association (NAPHIA) that is comprised of a variety of organizations involved in the pet insurance industry.

I would like to thank the members for bringing HB 5569 before the Committee today and for allowing interested parties the opportunity to provide testimony in support of the pet insurance legislation. We are writing in support of the bill as drafted and respectfully request the following minor modification from the introduced version of HB 5569 which we believe will make this bill even more consumer friendly. The revision requested is as follows:

- Section 27-83-5. Policy conditions. – On page 6, line 8 the bill still states “as such policy effectuation date is clearly disclosed and no premium is charged...” this sentence needs to be amended to replace charged with earned and should read " no premium *is earned*"

This crucial legislation builds upon existing regulatory frameworks and further promotes a framework that works for everyone – regulators, consumers, and industry players alike – promoting a clear and level playing field while promoting uniformity throughout the states. Both the industry and consumers will benefit from a consistent nationwide approach for pet insurance. By incorporating this regulatory framework into your statute, you will ensure clear and consistent regulation of pet insurance products.

This legislation is good for all industry participants because going forward, we will have specific requirements applicable to pet insurance with which all players will have to comply, including new entrants to this growing market. The language before you today has been thoroughly vetted at the national level to ensure the legislation creates an efficient, effective regulatory framework for pet insurance that benefits consumers, empowers regulators, and ensures the marketplace operates fairly.



CRUM & FORSTER®

A FAIRFAX COMPANY

Specifically, the proposed legislation:

- Allows pet products to continue to be offered in a manner that provides a seamless consumer experience and cost-saving efficiencies.
- Clarifies permissible and prohibited sales practices, and the applicability of the state's unfair trade practices law.
- Requires important consumer disclosures.
- Establishes uniform meanings of key terms for better understandability.

Consumers deserve pet insurance plans that work for them. In enacting the legislation with the revisions as proposed, the legislature will benefit consumers and empower regulators by codifying an efficient, fair, uniform, and effective regulatory framework for pet insurance.

The legislation is aligned with the Pet Insurance Model Act adopted by adopted by the National Association of Insurance Commissioners (NAIC). The NAIC and Insurance Divisions of the various states worked collaboratively with the overall pet community, leading to the NAIC's adoption of the model. We support the bill with the proposed amendments because it is good for consumers and industry participants alike. Twelve (12) states have already enacted legislation based upon this Model Act and several other states are contemplating enacting similar legislation in the coming months.

We respectfully request that you approve this important legislation with the requested amendments. On behalf of Crum & Forster, thank you for your consideration of HB 5569, which will ensure the industry and consumers will benefit from a transparent framework for pet insurance.

Please let us know if you have any questions or we can provide any additional information.

Very truly yours,

Caren Alvarado, VP Regulatory Affairs & Compliance
Crum & Forster A&H Division
732.676.9819
caren.alvarado@cfins.com