



# Mozo Experts Choice Awards **Pet Insurance 2019**

Methodology Report  
August 2019



# Mozo Experts Choice Awards Pet Insurance 2019

Every day, Mozo keeps track of thousands of products in banking, insurance and energy. We use our knowledge and experience to identify those products that offer great value or market-leading features, and we recognise them with these awards.

- For product providers, it's a third-party endorsement of their product.
- For consumers, it's a sign that a product is among the leaders and is worthy of consideration.

Our approach to insurance awards is to seek out and reward:

## Exceptional Value

Insurance that's among the best-priced for the main features it offers, based on a comparison of prices for selected customer scenarios.

## Exceptional Quality

Insurance cover that leads the market in the generosity of additional benefits and flexibility of options - irrespective of price.

Not all customers are looking for the same thing, and different products have different strengths. We think it's important to show why a product has been awarded.

# Pet Insurance - 2019 Winners

## Pet Insurance Provider Of The Year

With wins in all three Exceptional Value categories, Pet Insurance Australia has been anointed our Pet Insurance Provider of the Year for 2019. Their 3 levels of cover - Accidental Injury, Accidental Injury and Illness and Major Medical Cover - pay a generous 80% of vet bills, and they offer flexibility in the choice of excess which can reduce your premiums if you're happy to make a co-payment when it's claim time. But they are our Pet Insurance Provider of the Year because, in all three categories, we found their cover to be Exceptional Value.



**Pet Insurance Australia**

## Exceptional Value Accident Cover Pet Insurance

Accident insurance covers your pet's medical care after situations such as a motor vehicle accident, burns, electrocution and snake bites. To find the plans that offer the best value we compared quotes for cats and dogs of different ages, and for dogs a variety of breeds. As policies can provide varying levels of benefit if you need to make a claim, we assessed how much potential benefit could be delivered for each dollar spent on premiums.

Two products stood out for being competitively priced across a range of different quotes.



**1300 Insurance**

Accident-Only Pet Insurance



**Pet Insurance Australia**

Accidental Injury Cover

## Exceptional Value Accident & Illness Pet Insurance

In addition the examples outlined for Accident policies above, policies that also cover illness will cost a bit more. A wide range of illnesses are typically covered, from simple problems such as an eye infection or skin condition, to more serious and ongoing issues like diabetes or cancer where the costs can really add up. Pre-existing conditions are usually excluded, and be sure to check the fine print for waiting periods and specified illnesses, particularly if you have a breed that is known to be prone to certain conditions.

In our assessment, one product stood out for its competitive pricing without sacrificing the cover on offer.



**Pet Insurance Australia**

Accidental Injury & Illness Cover

## Exceptional Value Comprehensive Pet Insurance

This is the primo option for pet insurance, bundling cover for not only accident and illness, but also helping to cover the costs of routine care. Routine care provides some cover for items such as teeth cleaning, regular vaccinations and desexing. Of course there are the usual cover limits, exclusions and waiting periods to be aware of, but if you want to get a whole lot of cover for the least dollars, these are the insurers to start with.

Our assessment methodology identified two comprehensive products that tend to be the most affordable, and that we think are worthy of being on anyone's shortlist.

**National Seniors**  
INSURANCE

**National Seniors**  
**Insurance**

Pet Insurance + TLC



## Exceptional Quality Pet Insurance

For people looking for all-singing and all-dancing insurance for their furry baby, we checked the benefits on each Accident & Illness policy, awarding scores for each. This included assessing the range of benefit limits offered and awarding scores for the level of cover included. Cover for dental work scored highly (not all policies include this!), as did high cost items such as CT or MRI scans, cruciate ligament treatment and hip replacement. Less costly items like routine care, physiotherapy, behaviour therapy and alternative therapies only counted for a small portion of the final score.

Here are this year's winners, all policies with excellent cover and great options. There are some significant differences between them, however. In particular, both Petcover and Petplan have a mandatory excess while the other three only pay a fixed benefit percentage but have choice of excess. Different policies will suit different people, and the judges considered these all worth a look.



**Bondi Vet**

Comprehensive Cover



**BUPA**

Pet Insurance - Ultimate



**Petcover**

Superior Cover



**Petplan**

Covered for Life Ultimate



**Pounce**

Premium Cover



# How do we judge the winners?

## Exceptional Value

Our assessment of Value is based on finding the most affordable policies for a given level of cover.

To compare pricing we gathered a range of online quotes covering a range of ages for both cats and dogs. Breed is a significant pricing factor for dogs so after examining the pricing variations for a wide range of breeds we gathered quotes for several common breeds at different ages, to cover an indicative pricing spread for each insurer.

The amount of money an insurer will pay out on any claim depends on their **benefit percentage** and on an **annual benefit limit** expressed as a dollar figure. Policies may also have a per-claim **excess**. When comparing prices of pet insurance, it is important to allow for these different limits. In assessing the value of policies for these awards, the judges:

- Collected quotes assuming a \$0 excess\*.
- Adjusted the quoted premiums according to the benefit percentage, so that prices were compared on a consistent level of benefits. We divided the cost of the insurance by the benefit percentage to find the ratio of price to benefit for each policy.
- Excluded policies where the annual benefit limit was significantly lower than the rest of the market. Policies need to offer at least \$6,000 of annual cover to be eligible for Exceptional Value awards in the Accident & Illness and Comprehensive categories.

Once each quote had been adjusted to allow for different benefit percentages, they were ranked in order from cheapest to most expensive for each of the different breeds and ages. Then we looked at how often each insurer was among the cheapest, by awarding points based on their ranking in each quote scenario. This methodology rewards the insurers who are most likely to be good value for the most people.

Policies must be among the best-ranked for both dogs and cats, to be awarded.

\*A small number of policies do not offer a \$0 excess option. For these, a separate quote comparison was conducted, comparing them to the products that had been shortlisted above but re-pricing them all to a standard excess level. In this additional comparison, none of these mandatory-excess policies were as competitively priced as those we had already shortlisted and hence they did not warrant an award.

## Exceptional Quality

Our Quality awards are based on the generosity of benefits and flexibility included in the insurance policy. They do not take account of price.

To determine which insurers offer the best cover on their policy, we looked for the product with the best offering across a range of areas. The key factors that differentiate the best from the rest is as follows:

- Benefit percentage
- Annual benefit limit
- Ability to vary excess
- Dental cover
- CT and MRI scans
- Cruciate Ligament treatment
- Hip surgery and replacement
- Tick paralysis
- Emergency boarding when you are in hospital

- Routine Care
- Legal liability
- Theft or straying

Any policy that did not offer at least a \$12,000 annual benefit limit was excluded from consideration for this category. Where the benefits for dogs and cats differed, both options had to qualify in order for the policy to win.

We relied on product information in each insurer's Product Disclosure Statements, and on their websites, to assess cover and benefits.

## Pet Insurance Provider of the Year

In addition to the winners in the Exceptional Value and Exceptional Quality categories, we chose one insurer as Pet Insurance Provider of the Year.

To decide "Of the Year" awards, we examine providers who achieved awards across multiple categories and determine which has demonstrated the best result in terms of depth and breadth of awards. We may look at the number of awards, the relative importance of the categories in which the awards were won, and the relative difference in price or cover within award categories (including categories where they may not have won awards).

In 2019 for Pet Insurance this was a very simple process, because only 1 pet insurer achieved awards in more than one category: Pet Insurance Australia won awards in each of the three Exceptional Value categories, and was awarded Pet Insurance Provider of the Year.



## What products do we consider?

We collected pricing and cover information from 28 different insurers. The list of providers is in Appendix 1.

The information collection was conducted in July and August 2019. To be considered for inclusion in these awards all information considered must be readily available on the insurer's website and the policy available to the general public without being a previously established member or customer.

Products are considered and awards are made irrespective of a product provider's commercial relationship with Mozo. We aim to include most providers in the market in the Mozo Experts Choice Awards. However, not every product on the market will be included in our review.

# How we manage conflicts of interest

Mozo Experts Choice Awards are awarded irrespective of a product provider's commercial relationship with Mozo.

The Awards are based on objective verifiable facts and analysis wherever possible, and any assumptions made are set out in this report. Mozo's research team analyses product data and determines the winners in each Mozo Experts Choice category without reference to Mozo's sales or commercial functions.

Companies do not pay to enter the Mozo Experts Choice Awards. Should a winning product or service wish to use the Mozo Experts Choice Awards badges in their own marketing activities, Mozo charges them a licence fee.



## About Mozo

Mozo provides a comparison service with the goal of helping consumers to make their own financial decisions and save money. Mozo offers consumers a comprehensive product comparison service that across the retail banking market, general insurance, life insurance, business banking, energy and more.

Hundreds of thousands of Australians a month use Mozo's comparison service. Mozo's comparison technology and expertise has been used by some of Australia's largest online publishers.

Mozo holds an Australian Financial Services Licence and an Australian Credit Licence. Mozo's management team have experience in consumer credit and financial services in a variety of roles from executive management, marketing, actuarial services and technology. Mozo's team are often called upon to provide expert media commentary in relation to the product areas they cover.

The Mozo Experts Choice Awards analysis is overseen by AJ Duncanson, Mozo's Data Services Director. AJ is a data scientist and actuary, and has worked in financial services and product comparison for almost 30 years. He is a Responsible Manager on Mozo's Australian Financial Services Licence and Australian Credit Licence.

## Important Information

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# Appendix

List of all providers considered in the awards.

1300 Insurance  
Australia Post  
Australian Seniors  
Bondi Vet  
Bow Wow Meow  
BUPA  
Guardian Insurance  
Guide Dogs  
HCF  
hif  
Kogan  
Medibank  
MiPet  
National Seniors Insurance  
Pet Insurance Australia  
Petbarn  
Petcover  
petinsurance.com.au  
Petmed  
Petplan  
PetSecure  
Pounce  
Prime  
ProSure  
real  
RSPCA  
Vets Choice  
Woolworths