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Keeping America Healthy



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Keeping America's Pets Healthy

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- A subsidy for veterinary care for low-income households with pets
- Providing access to care for pets of the working poor, families in need, the disabled, single parents, struggling veterans and the unhoused.
- Care provided through a network of participating veterinary hospitals.
- \$400 annual allowance per pet, for up to 2 pets, with 20% Co-pays



Peticaid Background Fact Sheet

1. Many of the working poor, single mothers, the disabled, the unhoused and families living in poverty cannot afford veterinary care, and the cost of veterinary care is rising faster than US Average Annual Income¹.
2. There are numerous research studies affirming the physical and emotional health benefits of owning pets^{15,16,17}. According to HABRI, the annual cost savings in health care for humans is **\$22.7 Billion** per year²².
3. **40% of American households have children⁴, but 66% of households, or 90.5 million households, own pets.**

Peticaid Background Fact Sheet

5. **85%** of dog owners and **76%** of cat owners consider their pets to be part of the family⁶

6. **29%** of Coloradoans (approx.1.7 million) are on Medicaid, with income less than **1.38 x the poverty level**. (i.e. \$27,214 for a household of two)

7. Qualified recipients take their pet to a participating Colorado Hospital, make a co-pay at check-in, and the balance of the allowance is billed to Medicaid Colorado.

Payment is made directly to the hospital providing services.



Pet Ownership Saves \$22.7 Billion in Health Care Costs

Annual Health Care Cost Savings Associated with Pet Ownership

ANNUAL HEALTH CARE COST SAVINGS OF PET OWNERSHIP	SAVINGS
Physician Office Visits	\$14,986,493,000
Obesity	\$4,536,476,000
Treatment of C. difficile Infections	\$90,470,000
Mental Health Costs for Anxiety in Children 8-10 Years Old	\$671,711,000
Mental Health Care Costs of Socially Isolated Seniors	\$1,776,146,000
Veteran PTSD Treatments (Emotional Support & Service Animals)	\$688,017,000
Total Identifiable Cost Savings	\$22,749,313,000



The full report, *The Health Care Cost Savings of Pet Ownership*, was made possible by a grant from Banfield Pet Hospital and is available for download at

habri.org/health-care-cost-savings

Peticaid Colorado by the numbers

Peticaid Colorado					Total Colorado		
Number of pets covered (est)	Annual allowance	Less 20% copay	5% Admin	Total annual cost in Colorado	Medicaid Budget	Net percentage	Phase
10,000	\$ 4,000,000	\$ 800,000	\$ 200,000	\$3,400,000	\$ 9,400,000,000	(0.04%)	1
100,000	\$ 40,000,000	\$ 8,000,000	\$ 2,000,000	\$ 34,000,000	\$ 9,400,000,000	0.36%	2
400,000	\$ 160,000,000	\$ 32,000,000	\$ 8,000,000	\$ 136,000,000	\$ 9,400,000,000	1.4%	3
2,278,000 Colorado Households							
24.5% on Medicaid= 558,110 Households on Medicaid							
40% of low income households have pets x 2 pets per household=				390,677	Pets covered by Medicaid		
Phase 1 Pilot Colorado financed							
Phase 2 Pilot Federal/Colorado financed							
Phase 3 Fully implemented							

Study Bill Questions to be answered:

Is the program desirable? Feasible? Sustainable? Is the timing right?

- 1. How many Colorado Medicaid households/individuals have pets?**
2. How many pets do they have? Are they dogs or cats?
3. How many qualified Colorado households would participate in this subsidized veterinary care program? **How do they become qualified?**
4. How many Colorado veterinary hospitals and shelters will participate? Are they required to provide a discount? Is a co-pay required?
- 5. How will Peticaid Colorado be paid for?**
6. How will funds flow? How will potential fraud risk be mitigated?
7. Who would administer Peticaid Colorado?
- 8. What type of oversight and guardrails are necessary?**
9. How would Peticaid Colorado be phased in?
10. Will Federal/Colorado Medicaid participate?

Benefits of Peticaid

1. **Subsidized veterinary care for low-income residents** of Colorado who currently can not afford it.
2. Focus on **preventive care** resulting in fewer sick animals, urgent care and emergency care visits
3. Additional **income stream for participating veterinary hospitals**, allowing for **hiring** of additional staff, better training and better benefits.
4. Potential **increase in number of veterinarians in rural, underserved areas**
5. Increase in the number of **sterilized pets**
6. **Increased shelter adoptions**, decreased surrenders
7. **Colorado leads the way** in providing access to veterinary care for low-income pet owners.



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Keeping Colorado's Pets Healthy

- Recognize the need for access to care for pets of low-income families.
- Acknowledge the human health care benefits of having pets
- Provide funding for basic preventive care for pets of low income families
- Provide for additional adoption of pets from shelters.
- Next steps.....authorize a study bill to research the desirability, feasibility, sustainability and timing. **Let's do this...**



References

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4. [Share of U.S. family households with children, by type 1970-2021 | Statista](#)
5. [Pet Ownership Statistics and Facts in 2023 – Forbes Advisor](#)
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8. [Spending on Pet Care Services Doubled in Last Decade \(census.gov\)](#)
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10. [U.S. pet ownership statistics | American Veterinary Medical Association \(avma.org\)](#)
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12. [2023 Current State of the Union: US Federal Budget \(usafacts.org\)](#)
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15. [How Having a Pet Can Benefit Your Health – Cleveland Clinic](#)
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20. [Most Americans Have Pets. Almost One Third Can’t Afford Their Vet Care. \(talkpoverty.org\)](#)
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How will Peticaid Colorado be paid for ?

- Federal and state supplemental Medicaid Funds
- State sales tax 2023=\$14.2 B .5%=\$7.2 mil
- Sales tax on pet food and products (Peticaid recipients exempt) or luxury pet supplies.
 - Colorado pet owners spent an estimated \$1.87 billion on pet food and treats.¹
 - .1% Sales tax = \$1.74 mil
- Re-allocation of state reserve funds
- License plate sales
- Colorado tax check-off
- Voter approved funding via ballot initiative
- Other/A combination of the above.....

¹ [Pet Spending Statistics \(2024\): Total Amount Spent per Year \(capitaloneshopping.com\)](https://capitaloneshopping.com/pet-spending-statistics-2024/)





Peticaid Colorado Study Bill

Peticaid: A transformative proposal to increase access to care

Peticaid 2030 is a **proposed federal and state Medicaid supplement to provide veterinary services to pets of Medicaid recipients.** Medicaid will provide an annual amount of **\$400 per pet for up to two pets** of households receiving Medicaid. With ongoing research showing the **measurable health benefits** of pets for their human owners, and an increasing recognition that **pets are part of the household unit**, the time has come to provide safety net funding for basic veterinary care to pets of households and families that are experiencing **significant financial hardship** and are unable to afford veterinary care for their pets.

9. The average annual cost of veterinary care in 2022 for a dog was **\$362** and for a cat was **\$321**^{9,10}. 10. Total annual Medicaid spending was **\$728 Billion** in 2021¹¹, including state spending (\$224B)¹³, 13% of the 2023 federal budget of **\$5.7 Trillion**.¹² Health care spending totaled **\$1.9 T, 29%** of net federal outlays in FY 2023¹³

11. Administration costs are **5%** of total Medicaid Spending¹¹

12. Including Administration, the estimated annual cost of Peticaid, and veterinary revenue to be generated, in today's dollars, is **\$8 Billion, 1.08% of the cost of Medicaid**.

13. Based on a recent report, Veterinary Revenue and Rx sales were \$38.4Bil in 2023. Peticaid, if fully utilized, will add an additional \$7.6B to this revenue, an increase of 21%.



Peticaid -fully implemented

Federal				Peticaid	Total US Medicaid	Net percentage
of pets	Annual allowance	Less 20% copay	5% Admin	Total annual cost	Budget	of budget
0,000	\$ 9,504,000,000	\$ 1,900,800,000	\$ 475,200,000	\$ 8,078,400,000	\$ 738,000,000,000	1.1%
Colorado				Peticaid	Total Colorado	Net percentage
of pets	Annual allowance	Less 20% copay	5% Admin	Total annual cost	Medicaid Budget	of budget
(est)	\$400			in Colorado		
52,434	\$ 184,973,600	\$ 36,994,720	\$ 9,248,680	\$ 157,227,560	\$ 9,400,000,000	1.7%
1000 Colorado Households						
on Medicaid= 660,620 Households on Medicaid						
low income households have pets x 2 pets per household=				462,434	Pets covered by Peticaid	

Extra slides

- 3. There are approximately 129,220,000 American households making up the US population of 335 million, averaging 2.6 persons/household.^{2,3}
- 7. Allowing for an average 1.5 pets per household, there are **44,000,000** Medicaid households x **36%** have pets¹⁹ (16 million households) x **1.5** average number of pets= **23,760,000** pets needing additional financial support.
- **44.5%** own dogs (65 million dogs), **29%** own cats (46.5 million cats) but only **36 %** of American households with incomes below \$20,000 have pets^{5,8,10}

