



What are the Canstar *Pet Insurance Star Ratings*?

Canstar *Pet Insurance Star Ratings* use a sophisticated and unique ratings methodology that compares both cost and features across pet insurance products. Canstar star ratings represent a shortlist of products, enabling consumers to narrow their search to products that have been assessed and ranked.

Ratings range from five to one star. Five-star rated products have been assessed as offering outstanding value to consumers.

What types of products are eligible?

To be eligible for evaluation in Canstar's *Pet Insurance Star Ratings*, a pet insurance product must meet the following requirements:

- The pet insurance product must be directly available to the consumer through a providers website and not through an affiliated organization (e.g. pet shop)
- Must be a standalone cover e.g. not pet cover as an additional extra to home and contents insurance
- Must be a lifetime policy
- Quoting must be possible either online, through rates in PDS or via information provider suppliers directly.

How are the Star Ratings calculated?

Pet insurance products included in the Canstar *Pet insurance Star Rating* are assessed across 32 consumer profiles based on cover type, pet type and pet age.

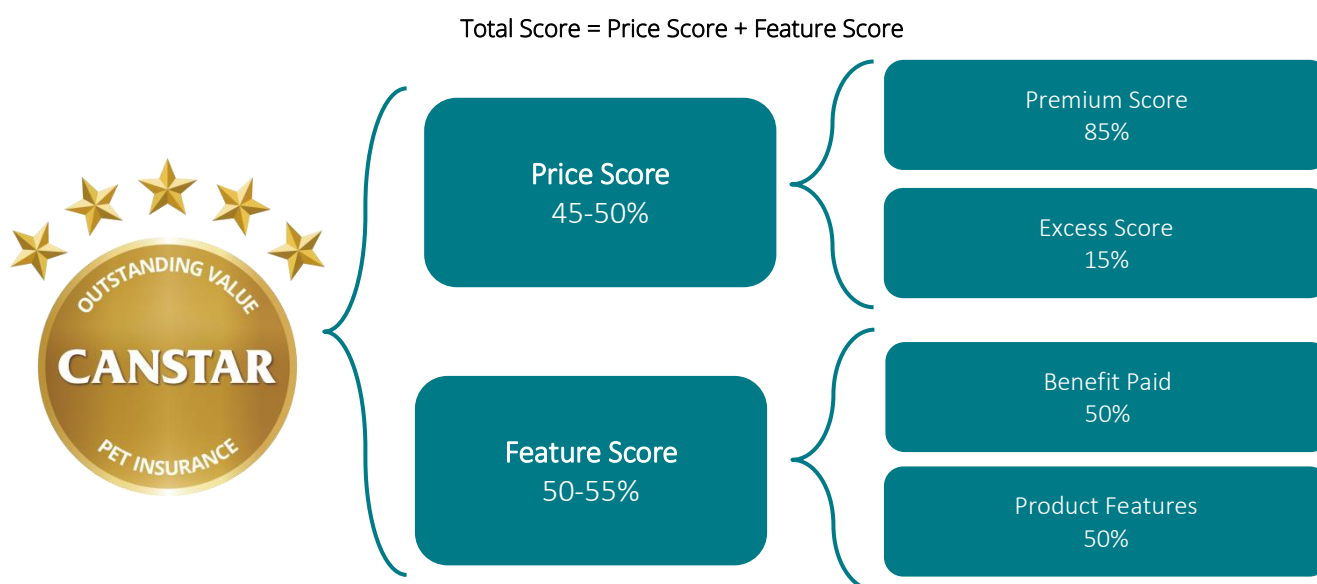
The profiles considered are as follows:

Cover Type	Pet Type	Pet Age
Accident and Illness	Small Dog	Less than 1 year
	Medium Dog	2-3 years old
Accident, Illness and Routine Care (Comprehensive Cover)	Large Dog	4-5 years old
	Cat	6-7 years old

Each pet insurance product reviewed for the Canstar *Pet Insurance Star Ratings* is awarded points for its comparative pricing and for the array of positive features attached to the product. Points are aggregated to achieve a price score and a feature score.

To arrive at the total score, Canstar applies a weight against the price score and the feature score. The weights reflect the relative importance of costs and features in determining the products offering outstanding value.

This method can be summarised as follows:



The table below provides a breakdown of the weights allocated to price and features based on profile:

Profile	Price Score	Feature Score
Accident and Illness	50%	50%
Accident, Illness and Routine Care (Comprehensive Cover)	45%	55%

Price Score

The price score consists of both a premium score and an excess score, and is used to compare the costs associated with taking out the policy with the benefits received at point of claim. For calculation purposes, a quote from each state is collected. The weight assigned to each state is based on the population of the state relative to the cumulative population of all states considered. Peer products are compared to each other, with the lowest cost product awarded the highest price score. All other products are awarded a score based on their relative cost against the lowest cost policy.

Premium Score

Within the premiums score, both the premium paid per \$1,000 of benefit and the average annual benefit are compared for each provider. Canstar recognises that the size of the annual benefit limit may impact the premium charged, therefore for cost comparability, premiums are compared in terms of cost per \$1,000 of benefit. The policy offering the lowest cost per \$1,000 of benefit will receive the full score, with all other products indexed against it.

The average annual premium score measures the additional cost consumers are willing to pay in order to receive more benefit. The policy with the lowest premium will receive full score and all other policies are indexed against it.



Excess Score

The excess score is based on the required excess policy holders need to pay when making a claim. Providers who offer \$0 excess are awarded maximum points, while those who offer the average excess are awarded half a point.

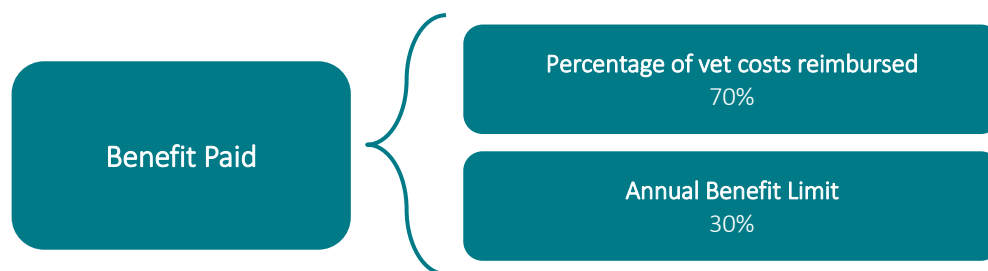
Features Score

The feature score compares the annual benefit limit of the policy and percentage of vet costs reimbursed at time of claim as well as policy inclusions. Peer products are compared to each other, with the lowest cost product awarded the highest price score. All other products are awarded a score based on their relative cost against the lowest cost policy.

Benefit Paid

Within the benefit paid score, both the percentage of vet costs reimbursed at point of claim and the average annual benefit limit are compared for each provider. The percentage of vet fees reimbursed compares the portion of claims reimbursed by the provider and the portion paid by the consumer. The policy that covers the highest percentage of fees will receive full score and all other policies are indexed against it.

The average annual benefit limit compares the total amount that is available to be claimed per year between providers. The policy with the highest annual benefit limit will receive full score and all other policies are indexed against it



Product Features

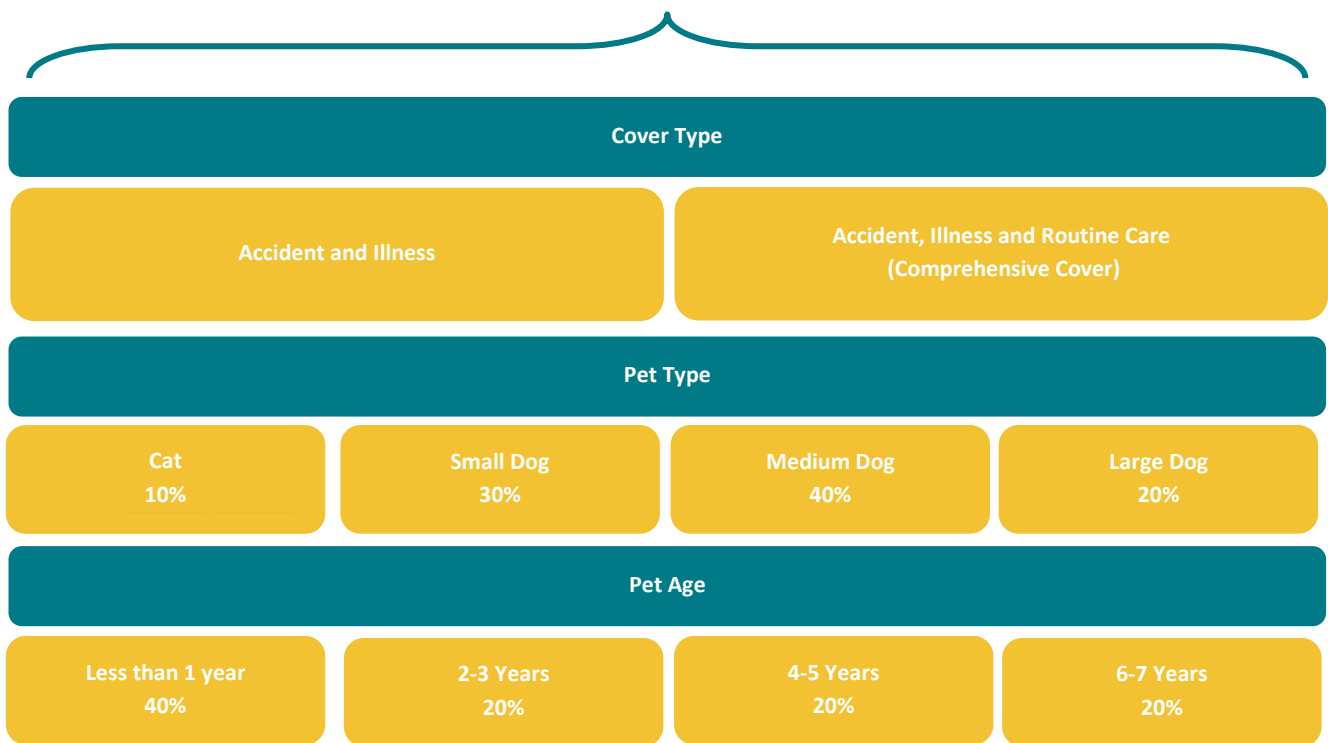
The feature score takes into account a number of features within four different categories, with individual features allocated points and each category, and subcategory, assigned a weighting. The product with the highest feature score is allocated the maximum score, with all remaining products within the profile scored against it.

Feature Categories	Accident and Illness	Accident, Illness and Routine Care (Comprehensive Cover)
Standard Inclusions	45%	55%
Illness Inclusions	45%	35%
Treatment Inclusions	35%	35%
Accident Inclusions	20%	15%
Routine Care Inclusions	-	15%
Policy Conditions	25%	25%
General Conditions	55%	55%
Specific Inclusions	25%	25%
Conditions of Cover	20%	20%
Claims and Application Process	20%	15%
Claims	40%	40%
Application Process	30%	30%
Support	30%	30%
Benefits and Options	10%	5%
Discounts	50%	50%
Special Features	50%	50%

How is the Award for Pet Insurance Calculated?

Canstar awards an Outstanding Value award to the insurer or insurers who offer outstanding value based on their cumulative score and star ratings performance across all 32 pet insurance profiles.

The weight placed on each profile is shown below, and represents the relative importance of each in determining the outstanding pet insurance products.



How often are products reviewed for star ratings and award purposes?

Ratings and awards are recalculated annually based on the latest features offered by each provider. Canstar also monitors changes on an ongoing basis. The results are published in a variety of mediums (newspapers, magazine, television, websites, etc.).

Does Canstar rate all products available in the market?

We endeavour to include the majority of product providers in the market and to compare the product features most relevant to consumers in our ratings. However, this process is not always possible and it may be that not every product in the market is included in the rating nor every feature compared that is relevant to you.

Does Canstar rate other product areas?

Canstar researches, compares and rates the suite of banking, wealth and insurance products listed below. These star ratings use similar methodologies to guarantee quality, consistency and transparency. Results are freely available to consumers who use the star ratings as a guide to product excellence. The use of similar star ratings logos also builds consumer recognition of quality products across all categories.

Please access the Canstar website at www.canstar.com.au if you would like to view the latest star ratings reports of interest.



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- Deposit accounts
- Health insurance
- Landlord insurance
- Margin lending
- Package banking
- Reward programs
- Travel insurance
- Agribusiness
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- Home & contents
- Life insurance
- Online banking
- Personal loans
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