

Lawsuits Bite: Irresponsible Dog Owners Endanger Others—And Their Assets

I.I.I. Study Shows Average Dog Bite Claim Has Grown By 37 Percent in Recent Years; National Dog Bite Prevention Week® Is May 15-21, 2011

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INSURANCE INFORMATION INSTITUTE

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NEW YORK, May 11, 2011 – Dog bites accounted for more than one-third of all homeowners insurance liability claims paid out in 2010, costing nearly \$413 million, according to the [Insurance Information Institute](#) (I.I.I.).

An analysis of homeowners insurance data by the I.I.I. found that the average cost of dog bite claims was \$26,166 in 2010, up 5.3 percent from \$24,840 in 2009. In fact, from 2003 to 2010, the cost of these claims has risen nearly 37 percent. The number of claims however, has dropped 4.9 percent from 16,586 in 2009 to 15,770 in 2010. The total value of these claims has remained virtually unchanged from 2009 to 2010 (+0.15 percent). This is because a decline in the number of claims was almost exactly offset by an increase in the average cost.

ESTIMATED NUMBER AND COST OF DOG BITE CLAIMS, 2003-2010

	2003	2004	2005	2006	2007	2008	2009	2010	Percent change, 2009-2010	Percent change, 2003-2010
Value of claims (\$ millions)	\$324.20	\$319.00	\$321.10	\$322.30	\$356.20	\$387.20	\$412.00	\$412.60	0.15%	127.30%
Number of claims	16,919	15,630	14,295	14,661	14,531	15,823	16,586	15,770	-4.92%	-6.79%
Average cost per claim	\$19,162	\$20,406	\$22,464	\$21,987	\$24,511	\$24,461	\$24,840	\$26,166	5.34%	36.55%

Source: Insurance Information Institute.

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[ESTIMATED NUMBER AND COST OF DOG BITE CLAIMS, 2003-2008](#)

[ESTIMATED NUMBER AND COST OF DOG BITE CLAIMS, 2003-2009](#)

“The average cost per claim has risen over the last eight years (2003-2010) which can be attributed to increased medical costs as well as the size of settlements, judgments and jury awards given to plaintiffs, which have risen well above the rate of inflation in recent years,” said Jeanne M. Salvatore, senior vice president and consumer spokesperson for the I.I.I.

A December 2010 report from the Agency for Healthcare Research and Quality indicates that the number of Americans hospitalized because of dog bites increased by nearly 100 percent over a 15-year period. In 2008 approximately 9,500 Americans received serious dog bites, compared with approximately 5,100 in 1993. The increase was far greater than population growth, and pet ownership increased only slightly during the period. Experts were not able to explain the increase. Children under five and adults 65 and older were more likely to be hospitalized after a bite. Nearly 50 percent of those hospitalized required treatment for skin and tissue infections and more than half received such procedures as skin grafts or wound debridement, with treatment costing an average of \$18,200 per

patient.

Dog Owner Liability

There are three kinds of law that impose liability on owners:

1. **Dog-bite statute:** The dog owner is automatically liable for any injury or property damage the dog causes, even without provocation.
2. **“One-bite” rule:** In some states, the owner is not held liable for the first bite the dog inflicts. Once an animal has demonstrated vicious behavior, such as biting or otherwise displaying a ‘vicious propensity’, the owner can be held liable. Some states have moved away from the one-bite rule and hold owners responsible for any injury, regardless of whether the animal has previously bitten someone.
3. **Negligence laws:** The dog owner is liable if the injury occurred because he or she was unreasonably careless (negligent) in controlling the dog.

In most states, dog owners are not liable for losses incurred by trespassers who are injured by a dog. However, if a dog owner is considered legally responsible for an injury to a person or property the owner may have to reimburse the injured person for medical bills, lost wages, pain and suffering and property damage.

“Some people purchase dogs for the purpose of guarding their homes; however, deadbolt locks and home security systems can be safer burglary deterrents, and can often earn you a discount on your insurance premium,” said Salvatore.

How to Protect Yourself—And Your Assets

Homeowners and renters insurance policies typically cover dog bite liability. Most standard homeowners policies provide policyholders with anywhere from \$100,000 to \$300,000 in liability coverage. If the claim exceeds those limits, the dog owner is personally responsible for all damages above that amount, including legal expenses. A liability policy also provides no-fault medical coverage in the event a dog bites a friend or neighbor. This enables them to submit their medical bills directly to the homeowner’s insurance company. Homeowners can generally get \$1,000 to \$5,000 worth of this coverage.

Most insurance companies will insure homeowners with dogs. However, once a dog has bitten someone, your insurance company may charge a higher premium or exclude the dog from coverage. Some companies require dog owners to sign liability waivers for dog bites. Others will cover a pet only if the owner takes the dog to classes aimed at modifying its behavior.

A single lawsuit—even if won by the dog owner who is being sued—can end up costing hundreds of thousands of dollars in legal fees and lost wages. The greater a person’s assets, the higher the risk of a costly lawsuit. The personal liability coverage available through a standard homeowners or automobile policy simply may not be enough. Therefore, the I.I.I. advises homeowners to consider purchasing a personal excess liability policy. Also known as an umbrella liability policy, this protects you against personal liabilities, such as dog bites, that could impact a substantial portion of your assets.

Umbrella liability coverage usually ranges from \$1 million to \$10 million, and covers broad types of liability. Most insurance companies have required minimum amounts of underlying coverage—typically at least \$250,000 of protection from your auto policy and \$300,000 of protection from your homeowners policy. If you own a boat, you must also have boat insurance with a specified minimum amount of coverage. Personal excess liability insurance is relatively inexpensive. The first \$1 million of coverage costs about \$150 to \$300 per year, the second million about \$75, and subsequent increments of \$1 million cost about \$50 per year.

Of course, the best way to protect yourself is to prevent your dog from biting anyone in the first place. The most dangerous dogs are those that fall victim to human shortcomings such as poor training, irresponsible ownership and breeding practices that foster viciousness.

May 15-21, 2011 is National Dog Bite Prevention Week[®], an annual event designed to provide consumers with information on how to be responsible pet owners while increasing awareness of a serious public health issue. The [Insurance Information Institute](#), [United States Postal Service](#), [American Academy of Pediatrics \(AAP\)](#), [American Veterinary Medical Association \(AVMA\)](#) and [American Society of Plastic Surgeons \(ASPS\)](#) are all committed to educating Americans about dog bite prevention.

To reduce the chances of a dog biting someone, the following steps are recommended:

- Consult with a professional (e.g., veterinarian, animal behaviorist, or responsible breeder) to learn

about suitable breeds of dogs for your household and neighborhood.

- Spend time with a dog before buying or adopting it. Use caution when bringing a dog into a home with an infant or toddler. Dogs with histories of aggression are inappropriate in households with children.
- Be sensitive to cues that a child is fearful of or apprehensive about a dog and, if so, delay acquiring a dog. Never leave infants or young children alone with any dog.
- Have your dog spayed or neutered. Studies show that dogs are three times more likely to bite if they are NOT neutered.
- Socialize your dog so it knows how to act with other people and animals.
- Discourage children from disturbing a dog that is eating or sleeping.
- Play non-aggressive games with your dog, such as “go fetch.” Playing aggressive games like “tug-of-war” can encourage inappropriate behavior.
- Avoid exposing your dog to new situations in which you are unsure of its response.
- Never approach a strange dog and always avoid eye contact with a dog that appears threatening.
- Immediately seek professional advice from veterinarians, animal behaviorists, or responsible breeders if the dog develops aggressive or undesirable behaviors.

“Most dogs are friendly, loving members of the family,” said Salvatore. “But even normally docile dogs may bite when they are frightened or when protecting their puppies, owners or food. Ultimately, the responsibility for properly training and controlling a dog rests with the owner.”

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