



HUMAN  
RIGHTS  
CAMPAIGN  
FOUNDATION

# Transgender-Inclusive Health Care Coverage and the Corporate Equality Index



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## Introduction

The Human Rights Campaign Foundation's annual Corporate Equality Index (CEI), a national benchmarking survey on policies and benefits for lesbian, gay, bisexual and transgender employees was launched in 2002. Since then, the competition among the nation's largest private sector businesses to be an employer of choice for this community has been tremendous. The first CEI in 2002 had just 13 businesses earning a perfect rating, but by the recent 2012 report reflective of the most stringent criteria to date, 189 Fortune-ranked and other major employers earned a 100 percent score and the distinction of being among the "Best Places to Work for LGBT Equality."

The CEI has raised the profile of the needs of LGBT employees and their families with respect to employer-provided health care coverage, along with a number of relevant policies and practices for the LGBT workforce. In addition to examining the entire suite of benefits as they apply to opposite-sex spouses and same-sex partners, the CEI has since 2006, asked questions pertaining to transgender-inclusive health care coverage – the medically necessary services and treatments that are part of a healthy gender transition.

In the last five years, many major businesses have made their workplaces more equitable for transgender employees, beyond baseline non-discrimination protections. In the latest CEI report, 80 percent – or 507 Fortune-ranked, AmLaw-ranked and other major employers – include gender identity in their non-discrimination policies. Furthermore, 66 percent offer robust diversity and inclusion programs that specifically include training on gender identity and transgender diversity with many of these also equipping managers with "gender transition guidelines," a set of considerations and protocols for transitioning employees. A record 208 major employers reported the adoption of these guidelines in the 2012 CEI. For many employers, a natural extension of these inclusion efforts is to examine their health insurance offerings to provide transgender-inclusive health care benefits.

Transgender people – those whose birth-assigned sex of male or female does not match their inner sense of gender – face a myriad of challenges in securing adequate health care and health care coverage. Historically, transgender people have often been categorically denied health insurance coverage for medically necessary treatment, irrespective of whether treatment is related to sex affirmation/reassignment. Up until the last few years, nearly all U.S. employer-based health insurance plans contained "transgender exclusions" that limited insurance coverage for transition-related treatment and other care, but this is changing.

The HRC Foundation announced in 2009 that earning 100 percent on the 2012 CEI requires employers to offer at least one firm-wide available health insurance plan that affords coverage for medically necessary transition-related care. The internationally accepted standards of care are maintained and published by the World Professional Association for Transgender Health (WPATH). Other criteria changes that went into effect in 2012 are available at [www.hrc.org/cei](http://www.hrc.org/cei).

Through the intensive educational and consultative efforts to address health care and insurance disparities for the transgender population and their families, including: outreach to leading health insurance companies direct consultation with both fully and self-insured employers to modify their health care plans and collection and dissemination of cost and utilization data from leading businesses, the HRC Foundation led a five-fold increase in the number of major U.S. employers affording transgender-inclusive health care coverage, from 49 in the 2009 CEI to more than 200 in the 2012 CEI.

The following document is a primer on transgender-inclusive health care coverage, including relevant concepts and vocabulary as well as specific guidance on meeting the CEI criteria.

## Gender Identity and Gender Transition-Related Health Care: Understanding This Condition

Few people ever question the distinction between their biological sex and their inner, felt sense of gender (i.e., their gender identity) because for most, these two traits are completely congruent. However, for a small fraction of the population, there is a conflict between their internal feelings of gender and their birth-assigned sex. For example, a transgender woman may have been assigned male at birth, but feels a profound inner sense that she is in fact female. The traditional process of determining “boy or girl?” primarily by a newborn’s genitalia fails to capture the experiences of people who are transgender.

Individuals often become aware of the conflict between their gender identity and biological sex by the time they are about 4 to 6 years old; this is when Gender Identity Disorder (GID) is sometimes first reported. As defined by the Diagnostic and Statistical Manual IV, patients with GID are “those with strong and persistent cross-gender identification and a persistent discomfort with their [biological] sex or a sense of inappropriateness in the gender role of that sex.”

Very often a person with GID will live many years before receiving a proper diagnosis, suffering from an undiagnosed condition, with little awareness of the origin of their distress or that anything can be done to alleviate it.

The intent of employer-provided health care coverage is to promote a productive and healthy workforce. For this population of people with GID, the consequences of continuing to live in a body that is wrongly sexed may be severe. Persons with untreated GID suffer intense psychological distress that often takes the forms of depression, even suicidality, and stress-related physical illnesses.

As affirmed by numerous medical and allied health associations including the American Medical Association, American Psychological Association and the National Association of Social Workers, the goal of rehabilitative treatments (psychotherapeutic, endocrine, and surgical therapies) for GID is lasting personal comfort and congruency with the embodied self, resolution of clinically significant distress, and to maximize overall psychological and physical well-being. Inclusive coverage options for transition-related care help to achieve the goal of promoting health and wellness across the spectrum of workforce diversity.

### Terms and Concepts

**Gender:** Refers to the roles, behaviors, activities and attributes that a given society considers appropriate for men and women. Gender is the social term, as opposed to biological sex; the terms are not interchangeable.

**Sex:** The classification of people as male or female. At birth, infants are typically assigned a sex based on the appearance of their genitals, although clinically speaking, “sex” is a combination of bodily characteristics including chromosomes, hormones, internal reproductive organs and genitalia.

**Gender Identity:** One’s personal sense of their gender. For transgender people, their birth-assigned sex and their own sense of gender identity do not match and this disconnect can be profound.

**Transgender:** An umbrella term for individuals whose internal sense of self is not in line with the sex that was assigned to them at birth. You may sometimes hear individuals referred to as a “Trans man” (sometimes adopted by female-to-male transgender people) or a “Trans woman” (sometimes adopted by male-to-female transgender people). The terms are used to signify current gender status as a man or woman while still affirming their gender history.

**Transition:** Usually used to refer to the process of affirming a transgender person’s gender identity, and is often a medical process of which changing social gender presentation is a key component.

**Sex Affirmation** (e.g., Sex Affirmation Procedures): A more respectful and accurate term for “Sex Reassignment” and is the process of re-aligning the body to achieve congruence with internal gender identity. This may involve hormone therapy, surgery and/or other procedures. Preferred language varies, however “sex change” is typically not preferred nor is it accurate.

## Medical and Legal Experts Oppose Exclusions

In recent years, as discriminatory healthcare practices against transgender individuals has gained visibility, an increasingly vocal consensus has emerged from the medical and allied health professions to affirm the need for adequate healthcare and healthcare coverage for those living with GID.

In June 2008, WPATH issued a Clarification Statement (see sidebar page 12) urging ***“health insurance carriers and healthcare providers in the U.S. to eliminate transgender or trans-sex exclusions and to provide coverage for transgender patients and the medically prescribed sex reassignment services necessary for their treatment and well-being.”***

A growing number of allied health associations have similarly issued strong policy statements calling for the elimination of insurance exclusions. In 2008, the American Medical Association issued Resolution 122 calling for ***“Removing Financial Barriers to Care for Transgender Patients”*** which has been incorporated as part of the “AMA Policy Regarding Sexual Orientation.” In the background argument, the resolution underscored that, ***“An established body of medical research demonstrates the effectiveness and medical necessity of mental health care, hormone therapy, and sex reassignment surgery as forms of therapeutic treatment for many people diagnosed with GID;” and that “Health experts in GID, including WPATH ... have recognized that these treatments can provide safe and effective treatment for a serious health condition.”*** The AMA also underscored the negative health outcomes caused by delays in treatment. Noting that much transition-related care involves services usually covered for other diagnoses (e.g., mastectomy or breast reconstruction, hysterectomy, and other reconstructive surgeries), the AMA called coverage denials based on a GID diagnosis “discrimination.”

***RESOLVED, That our American Medical Association support public and private health insurance coverage for treatment of gender identity disorder as recommended by the patient’s physician. (AMA HOD Resolution 122, 2008)***

The National Association of Social Workers (NASW) revised their transgender policy statement in August 2008, clearly stating,

***NASW supports the rights of all individuals to receive health insurance and other health coverage without discrimination on the basis of gender identity, and specifically without exclusion of services related to transgender or transsexual transition (or “sex change”), in order to receive medical and mental health services [...] which may include hormone replacement therapy, surgical interventions, prosthetic devices, and other medical procedures. (NASW Policy Statement on Transgender and Gender Identity Issues, in Social Work Speaks, 2009)***

The American Psychological Association (APA ) issued a similarly strong policy statement, noting for example that ***“transgender people may be denied appropriate gender transition related medical and mental health care despite evidence that appropriately evaluated individuals benefit from gender transition treatments.”***

***APA recognizes the efficacy, benefit and medical necessity of gender transition treatments for appropriately evaluated individuals and calls upon public and private insurers to cover these medically necessary treatments. (APA Policy Statement, 2008)***



### The CEI Criteria and Transgender-Inclusive Health Care Coverage

The HRC Foundation is committed to maintaining a rigorous, fair, achievable and transparent CEI rating system. The HRC Foundation continually examines the criteria and gathers input to guide the future of the criteria, accounting for the changing landscape of legal protections for LGBT employees and their families, both federally and from state to state, and emerging best practices to meet the needs of LGBT employees and ensure that LGBT employees are treated fairly in the workplace.

In 2009, the HRC Foundation announced the third version of the criteria (the New CEI), with comprehensive requirements for partner benefits, transgender-inclusive benefits, organizational competency on LGBT issues and external engagement with the LGBT community. One of the major components of the new criteria is to end benefits discrimination for transgender employees and dependents, which is addressed with the following requirements for full credit of ten points.

### Baseline Coverage for Credit

Each of the below components must be in place in order to receive full credit. Partial credit is not given in this criterion.

- 1. Insurance contract explicitly affirms coverage.** Alternatively, evidence that any transgender exclusions have been sufficiently modified or removed, or that the insurance administrator or carrier will affirmatively provide consistent coverage utilizing a particular medical policy or clinical guideline, may be submitted to the HRC Foundation. In either case, **documentation must be submitted to the HRC Foundation for review.**
- 2. Plan documentation must be readily available to employees and must clearly communicate inclusive insurance options to employees and their eligible dependents.** Plan modification and regular summary plan description materials clearly indicates availability of the benefit and how to obtain additional information – **including applicable medical policy or clinical guidelines** that indicate specific coverage processes and accepted treatment protocols – while maintaining privacy of the individual. Plan participants should not need to request and analyze a complete and current plan contract in order to determine whether coverage is available. **This documentation, including the applicable medical policy or clinical guidelines, must be submitted to the HRC Foundation for review.**
- 3. Other benefits available for other medical conditions are also available to transgender individuals.** Specifically, where available for employees, the following benefits should all extend to transgender individuals, including for transition-related services:
  - a. Short term medical leave
  - b. Mental health benefits
  - c. Pharmaceutical coverage (e.g., for hormone replacement therapies)
  - d. Coverage for medical visits or laboratory services
  - e. Coverage for reconstructive surgical procedures related to sex reassignment
  - f. Insurance coverage of routine, chronic, or urgent non-transition services is not excluded (e.g., for a transgender individual based on their sex or gender. For example, prostate exams for women with a transgender history and pelvic/gynecological exams for men with a transgender history must be covered.)
- 4. Dollar maximums on this area of coverage must meet or exceed \$75,000.**

**More Comprehensive  
Coverage for Workforce:**

**The following outlines more fully those ideal components of coverage, beyond the allotted points in the CEI.**

**1. Coverage available for full range of services indicated by World Professional Association for Transgender Health's Standards of Care (SOC).** Surgical procedures, including all reconstructive genital surgical interventions as well as other reconstructive procedures as appropriate to the patient, when part of the sex reassignment process as per WPATH.

**2. No lifetime or annual dollar caps** on this area of coverage.

**3. Benefit administration covers treatment plans which adhere to the WPATH diagnostic and assessment process.** Determinations of eligibility for coverage are consistent with, and no more restrictive than, the current WPATH SOC. Since at the current moment, no insurance carrier guideline clearly meets these criteria, written communication with the relevant carrier or TPA made readily available to the employee as part of plan documentation should communicate that the employer plan will be guided by and no more restrictive than the WPATH SOC in making utilization management determinations. The following phrase inserted into plan documentation can better clarify the administration process to eligible employees and dependents:

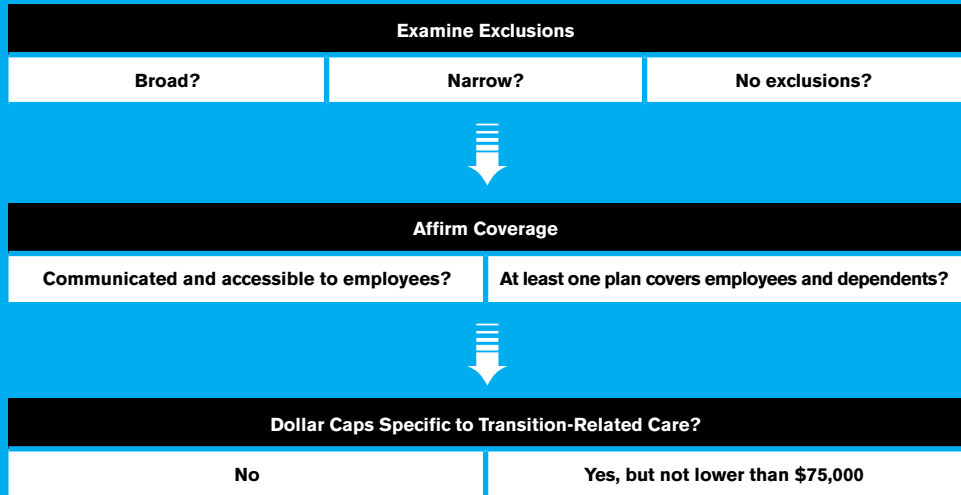
*"For the purposes of determining eligibility for coverage and subsequent payment of claims under the sex reassignment surgical benefit, services will be regarded as medically necessary for the individual and covered when providers document that the diagnostic, assessment and treatment process is consistent with generally recognized standards of medical practice. Specifically, diagnosis and treatment conforming to the current WPATH SOC, as appropriately documented by the treating provider(s), will be regarded as sufficient: additional restrictions will not be placed nor other documentation required to determine eligibility or authorization."*

**4. Eliminates other barriers to coverage:**

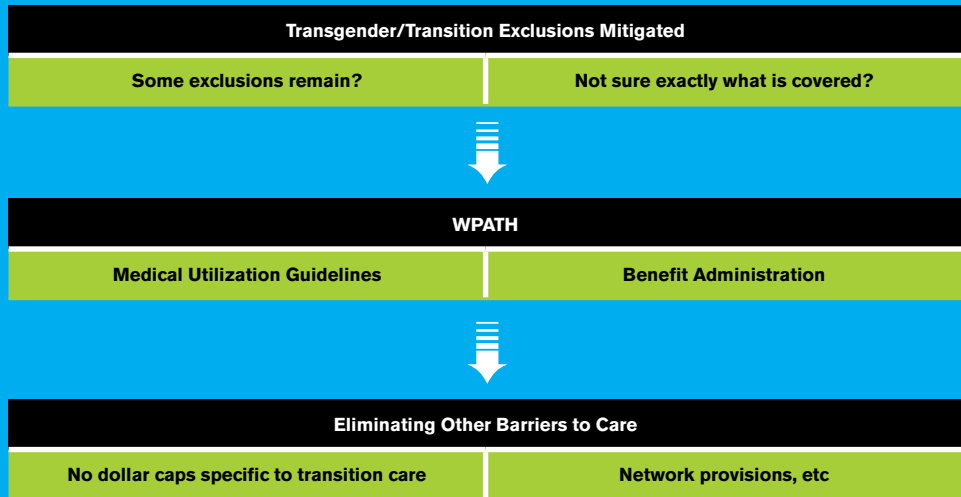
- a. No separate dollar maximums or deductibles** specific to coverage of sex reassignment surgeries and related procedures.
- b. Explicit adequacy of network provisions apply.** When the provider network has no adequate specialists (as determined by qualified area specialists), out-of-network providers will be covered at in-network rates, as well as coverage of travel and lodging expenses to such specialists.
- c. No other serious limitations.** On a case-by-case basis, other serious limitations to coverage may be deemed sufficiently counterproductive to treatment success to disqualify a given plan from eligibility. Two examples: a) limitations on the time frame for, or number of, surgeries per individual would eliminate a plan from consideration (e.g., no "one surgery only" or "initial surgery" limitations); b) Similarly, exclusions for reversals of sex reassignment would also be regarded as unacceptable limits to coverage



## Baseline Coverage for Credit



## More Comprehensive Coverage for Workforce





## Businesses That Offer at Least One Transgender-Inclusive Health Care Coverage Plan

3M Co.  
 A.T. Kearney Inc.  
 AAA Northern California, Nevada & Utah Insurance Exchange  
 Abercrombie & Fitch Co.  
 Accenture Ltd.  
 Aetna Inc.  
 Akin, Gump, Strauss, Hauer & Feld LLP  
 Alcatel-Lucent  
 Alcoa Inc.  
 Alston & Bird LLP  
 American Express Co.  
 Ameriprise Financial Inc.  
 AMR Corp. (American Airlines)  
 Aon Corp.  
 Apple Inc.  
 AT&T Inc.  
 Automatic Data Processing Inc.  
 Avaya Inc.  
 Avon Products Inc.  
 Bain & Co. Inc.  
 Baker & McKenzie LLP  
 Bank of America Corp.  
 Bank of New York Mellon Corp., The (BNY Mellon)  
 Barclays Capital  
 Barnes & Noble Inc.  
 Best Buy Co. Inc.  
 Bingham McCutchen LLP  
 BlackRock  
 Blue Cross Blue Shield of Florida Inc.  
 Blue Cross Blue Shield of Minnesota  
 BMO Bankcorp Inc.  
 Booz Allen Hamilton Inc.  
 Boston Consulting Group  
 Bristol-Myers Squibb Co.  
 Broadridge Financial Solutions Inc.  
 Brown Rudnick LLP  
 Brown-Forman Corp.  
 Bryan Cave LLP  
 Caesars Entertainment Corp.  
 Campbell Soup Co.  
 Capital One Financial Corp.  
 Cardinal Health Inc.  
 CareFusion Corp.  
 Cargill Inc.  
 Carlton Fields PA  
 Chapman and Cutler LLP  
 Charles Schwab Corp., The  
 Chevron Corp.  
 Choate, Hall & Stewart LLP  
 Choice Hotels International Inc.  
 Chrysler LLC  
 Chubb Corp.  
 Cisco Systems Inc.  
 Citigroup Inc.  
 Clifford Chance US LLP  
 Clorox Co.  
 Coca-Cola Co., The  
 Comerica Inc.  
 Corning Inc.  
 Covington & Burling LLP  
 Credit Suisse USA Inc.  
 Crowell & Moring LLP  
 Cummins Inc.  
 Davis Wright Tremaine LLP  
 Debevoise & Plimpton LLP  
 Delhaize America Inc.  
 Dell Inc.  
 Deloitte LLP  
 Deutsche Bank  
 Dewey & LeBoeuf LLP  
 Diageo North America  
 DLA Piper  
 Dorsey & Whitney LLP  
 Dow Chemical Co., The  
 Dykema Gossett PLLC  
 E. I. du Pont de Nemours and Co. (DuPont)  
 Eastman Kodak Co.  
 eBay Inc.  
 Edwards Angell Palmer & Dodge LLP  
 Eli Lilly & Co.  
 EMC Corp.  
 Ernst & Young LLP  
 Exelon Corp.  
 Faegre & Benson LLP  
 Federal Home Loan Mortgage Corp. (Freddie Mac)  
 Fenwick & West LLP  
 Ford Motor Co.  
 Fried, Frank, Harris, Shriver & Jacobson LLP  
 Gap Inc.  
 Genentech Inc.  
 General Mills Inc.  
 General Motors Co.  
 Gibson, Dunn & Crutcher LLP  
 GlaxoSmithKline plc  
 Goldman Sachs Group Inc., The  
 Google Inc.  
 Group Health Cooperative  
 Group Health Permanente  
 Herman Miller Inc.  
 Hewlett-Packard Co.  
 Hinshaw & Culbertson LLP  
 Hogan Lovells US LLP  
 Hyatt Hotels Corp.  
 ING North America Insurance Corp.  
 Intel Corp.  
 International Business Machines Corp. (IBM)  
 Intuit Inc.  
 Jenner & Block LLP  
 Johnson & Johnson  
 JPMorgan Chase & Co.  
 K&L Gates LLP  
 Kellogg Co.  
 Kimpton Hotel & Restaurant Group Inc.  
 Kirkland & Ellis LLP  
 KPMG LLP  
 Kraft Foods Inc.  
 Levi Strauss & Co.  
 Limited Brands Inc.  
 Littler Mendelson PC  
 Lockheed Martin Corp.  
 Marsh & McLennan Companies Inc.  
 McDermott Will & Emery LLP  
 McKinsey & Co. Inc.  
 Medtronic Inc.  
 MetLife Inc.  
 Microsoft Corp.  
 MillerCoors LLC  
 Mitchell Gold + Bob Williams  
 Morgan Lewis & Bockius LLP  
 Morgan Stanley  
 Morrison & Foerster LLP  
 Nationwide  
 Navigant Consulting Inc.  
 Nike Inc.  
 Nixon Peabody LLP  
 Nordstrom Inc.  
 Northern Trust Corp.  
 Office Depot Inc.  
 Oracle Corp.  
 Orbitz Worldwide Inc.  
 Orrick, Herrington & Sutcliffe LLP  
 Owens Corning  
 Patterson Belknap Webb & Tyler LLP  
 Paul Hastings LLP  
 Paul, Weiss, Rifkind, Wharton & Garrison LLP  
 Pearson Inc.  
 PepsiCo Inc.  
 Perkins Coie LLP  
 Pfizer Inc.  
 PG&E Corp.  
 Pillsbury Winthrop Shaw Pittman LLP  
 PricewaterhouseCoopers LLP  
 Prudential Financial Inc.  
 Raytheon Co.  
 Replacements Ltd.  
 Robins, Kaplan, Miller & Ciresi LLP  
 Rockwell Automation Inc.  
 Ropes & Gray LLP  
 Schiff Hardin LLP  
 Sears Holdings Corp.  
 Sedgwick, Detert, Moran & Arnold LLP  
 Semptra Energy  
 Seyfarth Shaw LLP  
 Shearman & Sterling LLP  
 Sheppard, Mullin, Richter & Hampton LLP  
 Shook, Hardy & Bacon LLP  
 Sidley Austin LLP  
 Simpson, Thacher & Bartlett LLP  
 Sodexo Inc.  
 Southern California Edison Co.  
 Sprint Nextel Corp.  
 Squire, Sanders & Dempsey LLP  
 Staples Inc.  
 Starwood Hotels & Resorts Worldwide  
 State Farm Group  
 Sun Life Financial Inc. (U.S.)  
 Supervalu Inc.  
 Sutherland Asbill & Brennan LLP  
 Symantec Corp.  
 TD Bank, N.A.  
 Teachers Insurance and Annuity Association - College Retirement Equities Fund  
 Tech Data Corp.  
 Thompson Coburn LLP  
 Thomson Reuters  
 Tiffany & Co.  
 Time Warner Inc.  
 TJX Companies Inc., The  
 Toyota Financial Services Corp.  
 Toyota Motor Sales USA Inc.  
 Troutman Sanders LLP  
 U.S. Bancorp  
 UBS AG  
 Unilever  
 United Continental Holdings Inc.  
 United Technologies Corp.  
 UnitedHealth Group Inc.  
 Volkswagen Group of America Inc.  
 Wachtell, Lipton, Rosen & Katz LLP  
 Walt Disney Co., The  
 Wells Fargo & Co.  
 Whirlpool Corp.  
 White & Case LLP  
 Wilmer Cutler Pickering Hale & Dorr LLP  
 Winston & Strawn LLP  
 Xerox Corp.  
 Yahoo! Inc.

## Understanding Your Plan: Examining Exclusions, Eliminating Them and Affirming Coverage

### Insurance Exclusions

Most U.S. health insurance policies have exclusions listed on transition-related care – right alongside those for cosmetic or experimental care – even though treatment of gender identity disorder is neither cosmetic nor experimental.

So-called “transgender exclusions” can be broad enough as to exclude health care coverage completely unrelated to the process of a gender transition, for example medical treatment for migraine headaches or gynecological exams for transgender-identified men. Claims for unrelated basic care (e.g., for a cold, flu, or a broken arm) have been denied when carriers learn of transgender status.

In addition, coverage denials often extend to exclude a broad range of pre- and post-transition care across the patient’s lifespan (e.g., prostate or pelvic exams, blood tests, prostate, breast, ovarian or uterine cancer-related treatments).

Exclusions may also be carved out as to cover certain transition-related treatments: for example, the mental health diagnosis of gender identity disorder may be covered, but none of the medically necessary follow-up care would be (e.g., hormone replacement therapy, surgical procedures, follow-up visits, etc).

Transgender individuals have medical needs similar to those of any other individual. While the medical process of sex affirmation/reassignment may seem unfamiliar or strange to many, these services are critical to the health of the individual who needs them.

- **Examine the wording of your plan’s transgender exclusions clause to understand if the clause is so broad that it:**
  - presents barriers to coverage for non-transition related treatments;
  - negates coverage outright for all transition related care;
  - offers partial coverage for transition-related care (hormone therapy but no surgical procedures, for example).

This will give you an understanding of what your plan is already covering and to what extent sweeping, versus more focused, efforts need to be made to eliminate the exclusions.

These are examples of actual transgender exclusions in health insurance plans. The effects of these exclusions can vary depending on carriers’ interpretations. For example, any of the first three examples could be narrowly implemented to exclude only the surgical aspects of sex affirmation/reassignment, but each have also been used to deny a much broader range of care, including routine annual exams and other services unrelated to transition.

**“Services for, or leading to, *sex transformation surgery*.”**

**“*Gender Transformation*: treatment or surgery to change gender including any direct or indirect complications or aftereffects thereof.”**

**“Expenses for, or related to, *sex change surgery* or to any treatment of gender identity disorders.”**

**“*Transsexual surgery* including medical or psychological counseling and hormonal therapy in preparation for, or subsequent to, any such surgery.”**

**Negotiating Coverage:  
Tools for Success**

Removing transgender exclusions is still not enough to ensure that inclusive coverage will be available for employees and dependents that require medically necessary care. Once exclusions are removed, a truly inclusive plan will also affirm available coverage for gender identity disorder. Statistically, gender identity disorder would be considered a “rare disease.” Like other rare conditions, it is largely unfamiliar to the majority of medical professionals and expertise has centered with a small number of specialists.

Clearly articulated written standards, affirming and spelling out provisions of effective treatment, are often necessary for rare conditions where medical expertise is correspondingly rare, where experts are geographically separated, and especially where the condition being treated is the subject of intense social stigma and misperception.

Advocates for inclusive health coverage have found a number of helpful tools for negotiating and establishing transgender-inclusive coverage. Employers that are concerned about adding transition-related care are often road-blocked by common misconceptions and a lack of understanding around this rare condition. Implementing inclusive care is especially difficult when the insurance companies that do provide some form of coverage for transition-related care are still not fully meeting the medically necessary needs for employees. The product needed to satisfy the New CEI criteria is not typically an off-the-shelf product, as truly inclusive care will require education and negotiation with insurance carriers.

**Standards of Care:  
World Professional  
Association for  
Transgender Health  
(WPATH)**

The most widely recognized standard of practice is published by the World Professional Association for Transgender Health (WPATH), formerly the Harry Benjamin International Gender Dysphoria Association (HBIGDA). The WPATH Standards of Care (SOC) have been recognized by several national medical and mental health organizations and their memberships: the American Medical Association, the American Psychological Association and the National Association of Social Workers. In addition to these organizations, the standards have been widely accepted in numerous psychiatric textbooks. Referencing the WPATH Standards of Care at the outset of advocacy for inclusive coverage serves as powerful validation, clearly conveying both the existence of medical consensus that transition-related care is medically necessary and the existence of accepted protocols.

The WPATH SOC articulates the assessment process to be used by providers in guiding treatment decisions to enable provider and patient to find the medical pathway that will be most successful for that individual. In the absence of a standard protocol adhering to WPATH (where exclusions are removed but treatment is not affirmed), eligibility and utilization management decisions made by insurance company representatives are vulnerable to the missteps born of misconceptions.

The most recent version of the WPATH SOC was released in fall 2011. The major differences between the WPATH SOC Version 7 and Version 6 can be summarized as follows:

- **New title: “Standards of Care for the Health of Transsexual, Transgender, and Gender Nonconforming People” (Version 6 was entitled “Standards of Care for Gender Identity Disorders”).**
- **SOC Version 7 describes what professionals need to do rather than what the client needs to do to qualify for treatment.**

**Standards of Care:  
World Professional  
Association for  
Transgender Health  
(WPATH) continued**

- Flexibility – recognition of client/patient’s unique circumstances, and appropriate uses of informed consent.
- More detailed clinical guidelines, with scholarly references to provide context and evidence base.
- More than simply providing assessment guidelines for hormones and surgery, the SOC now promotes overall health and well-being.
- SOC Version 7 contains a clear statement that gender nonconformity is not pathological and includes medical necessity principles.
- The World Professional Association for Transgender Health can be accessed at: [www.wpath.org/](http://www.wpath.org/)

**Questions for  
Insurance Carriers –  
Affirming Coverage  
and Adherence  
to WPATH**

For those employers seeking to offer coverage in line with the WPATH Standards of Care, the following questions can be posed to insurance carriers and administrators to confirm intended coverage and administration of the benefits:

- To establish that coverage will include care required by transgender individuals including transition-related services, you can ask: “It is our understanding that our health plan will now cover the health care needs of transgender and transsexual individuals without exclusion as for any other individual, including routine, emergent or urgent care, as well as services related to sex affirmation/reassignment. Is this the case?”
- To establish that coverage will include the full range of services under the WPATH SOC, you can ask: “It is our understanding that our health plan will cover the full range of medical procedures related to the process of sex affirmation/reassignment which are considered medically necessary by WPATH. Is this the case?”
- To establish that implementation will be consistent with WPATH SOC, you can ask: “It is our understanding that with regard to coverage determinations, our health plan will follow the current WPATH SOC regarding sufficient documentation of clinical decisions and treatment plans. Specifically, diagnosis, assessment and treatment conforming to the current WPATH SOC, as appropriately documented by the treating provider(s) as per the WPATH SOC, will guide determinations of eligibility for a specific treatment, prior authorization or certification, and other utilization management decisions. Is this the case?”

**WPATH  
Clarifies  
Medically  
Necessary  
Services**

In a June 2008 Clarification Statement, WPATH reiterated the procedures which are considered components of sex reassignment by the Standards of Care and specifically stated that these services are considered medically necessary when clinically indicated. WPATH underscores the clinical significance of the full range of reconstructive interventions including non-genital procedures (e.g., breast augmentation, mastectomy and chest reconstruction, facial feminization surgeries, and facial hair removal).

To ensure treatment effectiveness, WPATH emphasizes that individuals must have access to the procedures which match their clinical needs. Individuals may have a clinical need for specific procedures, although not every individual will require surgery or every possible intervention. Coverage must extend to include the variations which may exist for a given surgery type, and permit a multiple stage surgical process, to ensure clinical appropriateness for the individual.

## Ensuring Coverage of Specific Services

Health plans should cover the full range of services and procedures considered medically necessary by the WPATH SOC. These include the following:

- **Hormone replacement therapies, including androgen blockers and GnRh hormones, as well as related laboratory tests and monitoring;**
- **Mental health care to support the transition process;**
- **Hair removal of the face and neck (e.g., through electrolysis or laser treatments), as well as hair removal as required for genital reconstruction surgery (e.g., electrolysis of free flap or other donor skin sites);**
- **Breast and chest surgeries, including mastectomy and subsequent chest and nipple/areolar reconstruction, breast augmentation (augmentation mammoplasty, including breast prostheses);**
- **Facial and other related feminization or masculinization procedures, as appropriate to the individual, which may include: Adam's Apple reduction (reduction thyroid chondroplasty or tracheal shave); rhinoplasty; facial bone reduction; face-lift; blepharoplasty; voice modification surgery; and liposuction (lipoplasty) of the waist or to reduce fat in hips, thighs and buttocks;**
- **Genital surgical reconstruction and related procedures, by either single stage or multiple stage techniques as appropriate to the individual. For female sex affirmation these include orchiectomy, penectomy, vaginoplasty, clitoroplasty, and labiaplasty. For male sex affirmation procedures include hysterectomy, salpingo-oophorectomy, vaginectomy, penile reconstruction (metoidioplasty and/or phalloplasty, by various techniques as appropriate to the individual), urethroplasty, scrotoplasty, placement of skin expanders, placement of testicular and/or penile prostheses (including external prostheses prior to and independent of surgery);**
- **All preparatory or ancillary procedures (e.g., blood work, anesthesia, skin, nerve or muscle grafts, etc.) and required equipment or supplies (including prostheses, stents, expanders, etc.); and**
- **Surgical revision or repair related to such procedures, including necessary removal and/or replacement of prostheses.**

Where health plans cover procedures or services not listed above, for other conditions or diagnoses, coverage should be extended on the same basis to transgender individuals with a medical need (e.g., plans covering cranial prosthesis or hair implants for other conditions).

## FAQ: Transgender-Inclusive Health Care Coverage

### What do I need to know for my “elevator pitch” with leadership to get the coverage at my employer? Can you summarize it in five points?

1. Removing exclusions for medically necessary care based on gender identity is consistent with our non-discrimination policy and allows all employees to bring their “whole self” to work. Transgender-inclusive health coverage is part of equal compensation, specifically equal benefits.
2. Most of these health services are covered for people with other diagnoses. They are arbitrarily excluded for transsexual people despite the fact that many allied health associations, including the American Medical Association, recognize the necessity and efficacy of treatment and call for reimbursement by insurance.
3. Costs are low: many employers around the country have eliminated the exclusions in their health plans (including our major competitors). Utilization is very low and there has been little or no impact to premiums.
4. Benefits (ROI) are high: it saves our health plan money when we ensure the right treatment for a medical condition. Transsexual people already covered in our plans currently receive inadequate coverage. Many delay needed care and experience stress or other negative health effects. This creates unnecessary hidden costs to our plan.
5. It is necessary to achieve a 100 percent score on the HRC Foundation's Corporate Equality Index, the nation's premiere scorecard of how LGBT-inclusive we are as a business.

### Why should we be covering this. Isn't it a choice to change genders?

- Numerous medical and allied health associations are now calling for insurance coverage of transgender transition related care.
- Associations with resolutions or statements on this issue include the American Medical Association, American Psychological Association, National Association of Social Workers, and WPATH, among others.
- Transgender-inclusion is not about a new and different set of services. Transgender-inclusive health coverage is part of equal compensation – and specifically equal benefits.

### Are these cosmetic surgeries? We don't cover those.

- Contrary to existing social stigma, treatment provided by health professionals—in accordance with the World Professional Association for Transgender Health's Standards of Care — should be considered medically necessary and reconstructive, not cosmetic.
- Surgical reconstruction corrects a physical abnormality, restoring body structures to those which reflect the internal experience of the individual and which are generally considered normal for any woman or man. Although someone may live socially as a woman or man regardless of surgery, the reconstructive component of treatment is crucial to internal congruence and self-affirmation.



### What types of services and procedures are medically necessary parts of sex reassignment?

- Hormone Replacement Therapy
  - Estrogens (also androgen blockers) and Testosterone
  - “Growth hormones” (puberty blockers)
- Mental Health Services
- Surgical Reconstruction
  - Breast/Chest reconstruction
  - Facial reconstruction
  - Gonadal surgery
  - Genital reconstruction
- Other procedures or services
  - Hair removal (electrolysis)
  - Speech therapy

### Won't these changes to our plans be very expensive?

- For relatively rare conditions such as transsexualism, distributed costs are extremely low. Thus, the annualized costs to the employer of providing insurance coverage for transgender-related care are typically negligible.
- The best available public data on insurance coverage experience is from the City and County of San Francisco, which has reported limited data. With 25-30,000 employees (and 80,000 plan members), actuaries estimated that 35 people per year would access \$50,000 in services. Actual utilization over five years (2001-2006) was a total of 37 claims and a total expenditure of \$383,000 – far less than anticipated.

### Our insurance carrier representative has told us that few if any plans ever cover services for sex reassignment. Is this true?

- While historically this may have been true, over the last decade an increasing number of plans have recognized the need to eliminate these discriminatory exclusions in their insurance coverage. Today, many insurance carriers –large and small – have written medical policy on sex reassignment treatment, and are administering plans for a variety of employers.
- Nonetheless, many individual sales representatives may be unfamiliar with this area of coverage, and information may not be readily available from the carrier. Let your carrier representative know that a growing number of plans do cover services, and if your carrier is listed below, assure her/him that their company has experience with this.

### What carriers are administering plans with coverage of sex reassignment surgeries and procedures?

Most major insurance carriers – including the entire following list – are administering or insuring coverage for at least one employer or student plan.

- Aetna
- AmeriHealth
- Caremark

- Cigna
- EmblemHealth (GHI, HIP, Vytra)
- Harvard Pilgrim
- Health Net
- HealthPartners
- Humana
- Kaiser Permanente
- Medica
- MedicalMutual of Ohio
- MVP Health Care
- Nationwide
- ODS
- UnitedHealthcare
  - Oxford
- Blue Cross Blue Shield, some affiliates, for example:
  - BCBS Illinois
  - Premera Blue Cross
  - BCBS Michigan
  - BCBS Massachusetts
  - BCBS Minnesota
  - BCBS North Carolina
  - Blue Shield of California
  - HMSA
  - Horizon BCBS
  - Independence BCBS
  - WellPoint subsidiaries (Anthem BCBS)

**We never list out every treatment that is covered by our plan.**

**Why do we need to explicitly state coverage here?**

- Statistically, transsexualism would be considered a “rare disease.” Like other rare conditions, it is largely unfamiliar to the majority of medical professionals and expertise has centered with a small number of specialists.
- Clearly articulated written standards, spelling out provision of effective treatment, are often necessary for rare conditions where medical expertise is correspondingly rare, where experts are geographically separated, and especially where the condition being treated is the subject of intense social stigma, misperception, and ignorance.
- Insurance contracts are typically not readily available or accessible to employees, especially prior to enrollment. As a result, employers that have modified their insurance contract to remove discriminatory insurance exclusions against transgender people from their health insurance plans need to communicate to employees (and their dependents) that transgender-inclusive coverage is available – both when the benefit first becomes available and on a regular basis. In order to respect an employee’s privacy, the availability of a transgender-inclusive insurance option should be communicated firm-wide to avoid forcing employees to “out” themselves as transgender in order to determine whether they have coverage.

**Which other employers are currently offering transgender-inclusive health plans?**

- 206 employers rated in the 2012 Corporate Equality Index are offering transgender-inclusive health coverage. (See page 9)
- In addition, numerous public employers are known to offer inclusive coverage. These include the University of California and the University of Michigan, as well as the cities of Minneapolis, New York, and San Francisco.

**We are self-insured. Can't we just cover individual health costs on a case-by-case basis?**

- These types of solutions pose issues for medical privacy. Direct reimbursement structures require the individual to reveal the precise nature and cost of these services, which may reveal profoundly sensitive or personal information. With few exceptions, employers do not need to know about a transgender employee's specific medical treatments beyond planning for potential medical leave for transitioning employees. The privacy of a transgender partner/spouse or dependent child of an employee must be similarly respected.
- In order to respect the employee's or dependent's privacy, coverage for services should be handled as any other medical service would be, through the plan administrator's claims process, which safeguards individual information from the workplace. Similarly, the availability of a transgender-inclusive insurance option should be communicated firm-wide, especially in the open enrollment process, to avoid the need for an employee to "out" themselves or a dependent family member as transgender in order to access care.

**Should we expect a premium increase if we eliminate the transgender exclusion and start covering all medically necessary procedures related to sex reassignment?**

- In our interviews, employers have all reported minuscule or zero initial premium increases associated with this specific area of coverage. Moreover, no employers have indicated subsequent increases based on utilization, as reported utilization has been extremely low, with few claims and low costs. This includes employers of very different sizes ranging from 500 to 100,000+ employees.
- Premium pricing can differ, however, based on specific circumstances, such as the size of the employer and the insured pool, structure of coverage, or other factors.

**Our insurance carrier representative has responded with a proposal which includes a significantly increased premium. How can we respond to this?**

- Fortunately, we hear less of this now than in the past. Premium increases are based on predictions of future utilization and claims costs. Very often premium increase estimates above minimal levels have been traced to erroneous assumptions regarding the possible number of transgender individuals who will require services each year, as well as inflated notions regarding the extent or cost of such services.
- Ask your representative to provide more information regarding the basis for their cost predictions. A simple check may reveal such basic errors as assuming that every transgender employee will require every phase of sex reassignment, including all surgery on an annual basis. HRC Workplace Project staff or a consultant with specific area expertise can provide a confidential assessment of information provided by the carrier.

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