

# The Importance of Providing Transgender-Inclusive Health Coverage

**If the intention of employer-provided healthcare is to promote a healthy and productive workforce, then providing healthcare coverage that removes these exclusions and provides affirmative transition-related care helps achieve the goal of promoting health and wellness across a diverse workforce.**

TRANSGENDER INDIVIDUALS OFTEN FACE A SIGNIFICANT NUMBER OF discriminatory barriers in many aspects of life. While progress has been made in advancing workplace non-discrimination protections for transgender people working in healthcare facilities, one of the most important workplace benefits, healthcare coverage, has not kept pace.

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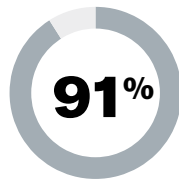
Historically, many U.S. employer-based healthcare plans have explicitly contained “transgender exclusions.” These blanket exclusions prohibit coverage for medical care related to gender transition, known as transition-related health care. Transition-related health care encompasses mental health care, hormone therapy, gender-affirming surgeries and other medically necessary care. These discriminatory exclusions persist despite that the nation’s top professional health associations — including the American Medical Association and the American Psychological Association — have affirmed that transition-related care is medically necessary for the health and well-being of many transgender people.

Denying this medically necessary care is detrimental to a transgender individual’s health and well-being as well as their ability to contribute in the workplace. If the intention of employer-provided healthcare is to promote a healthy and productive workforce, then providing healthcare coverage that removes these exclusions and provides affirmative transition-related care helps achieve the goal of promoting health and wellness across a diverse workforce.

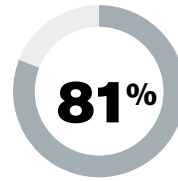
## **A Trend Toward Inclusive Benefits**

A growing number of employers are eliminating transgender exclusions and affirmatively offering transition-related healthcare coverage. The Human Rights Campaign Foundation’s Corporate Equality Index (CEI), which assesses corporate policies and practices, tracks the number of major American private employers that offer transgender-inclusive healthcare benefits. **In the CEI 2022, 91% of rated businesses offer this important benefit. After many years of trailing their corporate counterparts in the provision of this benefit, HEI participating healthcare facilities are nearly on par with the CEI participants as 81% have at least one healthcare plan that offered this benefit.**

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2022 Corporate Equality Index participants



2022 Healthcare Equality Index participants

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Many large corporations have successfully negotiated with their carriers to remove transgender exclusions from their health insurance policies and replace them with affirmed benefits that provide a base level of coverage for transgender medical care, including mental health counseling, hormone therapy, medical visits and surgical procedures. These efforts are particularly successful when employers provide comprehensive information to their carrier in the process.

### **Costs**

One of the most common reasons cited for not offering this coverage is misperceptions about cost. Studies have consistently shown that the cost of providing transgender-inclusive health coverage is negligible. According to a study by The Williams Institute, 85% of responding employers who provide transgender-inclusive benefits report no cost at all.\* There is a misconception that gender-affirming treatments are expensive. Like many healthcare treatments, these treatments can be prohibitively expensive for an individual, but the annualized cost to an employer's health plan is low. This is due to extremely low utilization rates. Since such a small percentage of people undergo transition-related medical care, distributed costs are nominal or nonexistent.

### **Benefits**

Providing transgender-inclusive health coverage is not just the right thing to do. Inclusive health coverage also brings many invaluable benefits. The Williams Institute study asked employers who provide transition-related health coverage about the benefits they receive as a result. A majority of responding employers, 60%, stated that providing inclusive health coverage makes them more competitive and improves recruitment and retention. Furthermore, 60% reported that providing transgender-inclusive benefits demonstrates and effectively communicates their commitment to fairness and equality. Moreover, employers noted that offering inclusive healthcare benefits increases employee satisfaction and morale, helps attract a diverse workforce and puts them on the "leading edge."