

# Transgender Health Benefits

Most people are covered by some form of health insurance, whether it be employer provided, Medicare/Medicaid, or purchased by the individual. These health plans normally cover necessary medical care. Typical health plans have an exclusion list declaring certain types of medical care to be uncovered. Some medical plans include transsexual needs on their exclusion list.



## What Medical Treatments are Required?

According to the [World Professional Organization for Transgender Health](#), medically necessary procedures transsexuals usually must undergo include

- Psychological counselling, for the initial diagnosis, for guidance through the transition, and to obtain the letter required for surgery
- Hormone Replacement Therapy (HRT) to adjust their body to their new gender role
- Doctor's office visits in support of HRT. This includes lab work and other monitoring of the HRT.
- Permanent facial hair removal for transsexual women. This will usually include laser treatments and/or electrolysis on the face and neck, and possibly on the body.
- Breast augmentation (or prosthesis) for trans women.
- Bilateral mastectomy and chest reconstruction for transsexual men..
- A hysterectomy may also be medically indicated for trans men.
- In many cases, genital reconstruction (also called sex reassignment surgery) is also indicated for both trans men and women.
- Skin flap hair removal.
- Penile and testicular prostheses, as necessary for trans men.
- Certain facial plastic reconstruction as appropriate to the patient.

Nongenital surgical procedures are routinely performed... notably, subcutaneous mastectomy in female-to-male transsexuals, and facial feminization surgery, and/or breast augmentation in male-to-female transsexuals. These surgical interventions are often of greater practical significance in the patient's daily life than reconstruction of the genitals. [Monstrey S, De Cuypere G, Ettner R.,(2007) .Surgery: General Principles. In Ettner R et al (eds) Principles of Transgender Medicine and Surgery. New York:Haworth Press:2007.p.90.] These procedures are not optional, but may be required to save a life. They are also required by most states before personal documentation, such as the drivers license and birth certificate, can be updated with a new gender marker, permitting the person to live a normal life.

Yet some insurance policies continue to exclude coverage of these needs.

Is refusal to cover transgender health benefits discriminatory? This can best be answered by checking to see if the same medical procedures would be covered for non-transsexuals by the same plan. Is Hormone Replacement Therapy covered for post-menopausal women? Would Vaginoplasty or Phalloplasty be covered after an accidental injury or cancer? Are Mastectomies or Hysterectomies covered in case of cancer? Would gynocomastia, caused by a hormone imbalance, be covered? These are some of the same treatments and procedures needed by transsexuals. A fair health plan covers the same procedure for all employees, whether or not it is related to transsexualism.

## Costs

The average cost for a male-to-female surgery is about \$17,000. Adding in a cost of about \$1000 for therapy, \$1500 for hormones, and \$500 for doctors visits and lab tests, the cost to transition averages about \$20,000 over a two year transition period. (After completion of surgery, ongoing costs drop dramatically to cover only a small maintenance level of hormones.)

If these procedures are not covered by insurance, the transsexual must pay for them personally. Most surgeons require payment in advance. People have to save money for years to complete their transition. Those in lower paying jobs often can never afford the surgery. The impact on an individual can be overpowering.

How much would it cost your company to cover the basic medical needs of a transsexual? Transsexualism is very rare. According to the DSM-IV, it affects an estimated 1 in 30,000 people, The latest research estimates that the total annual cost per insured is \$.05 to cover surgery, or \$.17 to cover surgery, hormones, and therapy. With medical insurance costing upwards of \$4,000 per year, the to

cover THBs would be about .004%.

TAW has prepared a [Research Report](#) that will help employers estimate the cost of THBs for their work force.

### **Is treatment considered "Medically Necessary?"**

When a company decides to cover medical needs for its transsexual employees, it's not uncommon for the insurance company to still refuse coverage. Typical plans are worded so that the insurance company makes the determination, even though the plan is employer designed. It is often necessary to appeal to the company to approve coverage that the employer intended to cover.

In the past, it was commonplace for an insurer to claim that transsexual needs were *experimental* or *cosmetic*. The original surgery of Christine Jorgenson in 1952 was experimental. Today, the procedures are routine, and thousands undergo them each year. Those undergoing the surgery must comply with the [Harry Benjamin Standards of Care](#) which strictly outlines the diagnosis and procedure that must be followed for a true, medically necessary transition.

Recently, insurance companies have begun to claim that transsexual procedures are not *medically necessary*. When encountering such terms as *experimental* and *medically necessary* it is helpful to refer to the definitions of these terms as often used in medical practice. One useful glossary is on the Lucent benefits web site at <http://216.220.43.231/mgt/library/mep/content.asp>. The set of definitions can be found at <http://216.220.43.231/mgt/library/mep/pdf/terms.pdf> (If the web address above has changed, the content can be found [here](#).)

When referring to these terms, language such as "standard, tested and accepted effective practice by the medical community at large" and "recognized standards of the health care speciality involved" will be found. It is useful to follow the logic of this standard. A transsexual is usually diagnosed with "Gender Identity Disorder", 302.85 in the DSM IV. Following the accepted psychological, psychiatric, and medical treatment for this diagnosis, one finds that the appropriate standard of diagnosis and treatment is the [Harry Benjamin Standards of Care](#). These standards outline the appropriate and effective treatment for Gender Identity Disorder, including counselling, medical, and surgical. Applying the definitions, most practitioners will conclude that the treatments are indeed medically necessary by the recognized standards for medical necessity.

The [Harry Benjamin Standards address this issue directly](#):

Sex Reassignment is Effective and Medically Indicated in Severe GID. In persons diagnosed with transsexualism or profound GID, sex reassignment surgery, along with hormone therapy and real-life experience, is a treatment that has proven to be effective. Such a therapeutic regimen, when prescribed or recommended by qualified practitioners, is medically indicated and medically necessary. Sex reassignment is not "experimental," "investigational," "elective," "cosmetic," or optional in any meaningful sense. It constitutes very effective and appropriate treatment for transsexualism or profound GID.

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