SAN FRANCISCO
HEALTH SERVICE SYSTEM
Affordable, Quality Benefits & Well-Being

Gender Dysphoria Benefits Coverage Update – Presentation Addendum

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The content of the slides are augmented as follows:

Gender Dysphoria – Definition – Children

The Diagnostic and Statistical Manual of Mental Disorders (DSM-5) provides for one overarching diagnosis of gender dysphoria with separate specific criteria for children and for adolescents and adults. The condition is associated with clinically significant distress or impairment in social, occupational or other important areas of functioning. For children, cross-gender behaviors may start between ages 2 and 4, the same age at which most typically developing children begin showing gendered behaviors and interests. Gender atypical behavior is common among young children and may be part of normal development. Children who meet the criteria for gender dysphoria may or may not continue to experience it into adolescence and adulthood. Research shows that children who had more intense symptoms and distress, who were more persistent, insistent and consistent in their cross-gender statements and behaviors, and who used more declarative statements ("I am a boy (or girl)" rather than "I want to be a boy (or girl)") were more likely to become transgender adults.[1]

Treatment of Gender Dysphoria in Adolescents and Adults: GnRH Analogs

In 2009, the Endocrine Society issued new guidelines for care which recommended the use of hormone blockers for gender dysphoric adolescents, followed by cross-sex hormones if the dysphoria persists. They included the following requirements: (i) Hormone blockers should ideally be administered when a child reaches stage 2 of the Tanner Scale of physical development (usually around age 12); and, (ii) Cross-sex hormones should not be given until age 16 (if dysphoria persists and the patient elects to take them). Dr. John Davren of UnitedHealthCare noted that effects are reversible by ceasing treatment, as permanent physical change is not caused by their use (since puberty continues as usual without their use if gender dysphoria is no longer being experienced).[2]

Treatment Considerations for Families with Children Experiencing Gender Dysphoria

As noted in the 2014 article What Do Transgender Children Need?, "Because there is so little empirical research on the outcomes for prepubescent children who undergo a social transition,

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[1] American Psychiatric Association. What Is Gender Dysphoria? Physician review by: Ranna Parekh, M.D., M.P.H., February 2016. https://www.psychiatry.org/patients-families/gender-dysphoria/what-is-gender-dysphoria, *citing* Sherer, I, et al. 2015. Affirming gender: Caring for gender-atypical children and adolescents. Contemporary Pediatrics; *and citing* Steensma, TD, et al. 2013. Factors associated with desistence and persistence of childhood gender dysphoria: A quantitative follow-up study. J Am. Acad. Child Adolescent Psychiatry, 52(6):582-90.

[2] Endocrine Treatment of Transsexual Persons: An Endocrine Society Clinical Practice Guideline. June 9, 2009. Wylie C. Hembree, Cohen-Kettenis, Delemarre-van de Waal, Gooren, Meyer, III, Spack, Tangpricha, and Montori. https://academic.oup.com/jcem/article-lookup/doi/10.1210/jc.2009-0345

parents are left to sift through a jumble of often contradictory opinions on the best course of action."

Slow bone growth has been detected in early age users of GnRH Analogs, but the use of cross-sex hormones contributes to skeletal growth catching up. Some recent longer-term studies have shown potential negative side effects of adolescent use of GnRH analogs in women in their 30's who experienced short-term effects of depression and/or seizures, and long-term early onset osteopenia. "We are currently conducting a specific review of nervous system and psychiatric events in association with the use of GnRH agonists, [a class of drugs] including Lupron®, in pediatric patients," the FDA said in a statement in response to questions from Kaiser Health News and Reveal from The Center for Investigative Reporting. The FDA considers the drug's impact on children's bones an unanswered question.[3]

A Brief History of SFHSS Gender Dysphoria Benefits

2001:

Covered services included genital reconstruction and chest reconstruction for Female-To-Male. The following restrictions were placed specifically on the transgender benefit:

- **Deductible of $250**, after which out of pocket co-payments were required for services: 15% when provided by an in-network health care provider, 50 percent if out-of-network.
- **Lifetime cap of $50,000 per person**.
- **Surcharge of $1.70 per participant per month**.
- **Eligibility was limited** to employees, retirees or dependents who were members of the San Francisco Health Service System (i.e., the member of any San Francisco health plan) for more than one year.

2004 (3 Years after Implementation):

By 2004, three years after implementation, San Francisco had:

- Collected $4.3 million in surcharges from approximately 70,000 enrollees to offset projected claims
- Paid only $156,000 on 7 received and processed claims.

The Human Rights Commission advocated changing the plan structure and removing unnecessary limitations to improve access to care.

2004 Modified Transgender Benefit:

- **Raised the lifetime cap to $75,000** to comply with the California State Department of Managed Health Care (DMHC) rules that mandated that equal benefits be provided to both female-to-male and male-to-female transsexuals.
- **Lowered the City Plan (PPO) surcharge to $0.50 per month**.

[3] Kaiser Health News. Christina Jewett. February 2, 2017. "Women Fear Drug They Used To Halt Puberty Led To Health Problems." Kaiser Health News. http://khn.org/news/women-fear-drug-they-used-to-halt-puberty-led-to-health-problems/. *See also* Houstonia Magazine. Mina Kelemen. November 3, 2014. "What Do Transgender Children Need?" https://www.houstoniamag.com/articles/2014/11/3/what-do-transgender-children-need-november-2014.

- **Removed the one year membership eligibility** requirement.
- **Began HMO coverage** through Health Net, Kaiser Permanente and Blue Shield of California on July 1, 2004 after receiving authorization from DMHC.

    - This process was originally to have been completed by year two and was finally implemented in 2004.
    - Initial HMO coverage included a surcharge of $1.16 per participant per month.

The April 2014 CA Department of Managed Health Care Memorandum clarifying that plans are discriminated against individuals because of gender identity or gender expression, and a history of actions taken by SFHSS as a result, are available in Regular Board Meetings at: http://www.myhss.org/downloads/board/regular_meetings/2013/RM_080813_M.pdf and http://www.myhss.org/downloads/board/regular_meetings/2013/RM_080813_DMHCGenderNonDiscrimination.pdf.

2006 (5 Years after Implementation):
By 2006, five years after implementation, San Francisco had:

- Collected $5.6 million in surcharges for a predicted 210 claimants.
- Paid $383,118 on 37 surgical claims.

2006 Modified Transgender Benefit:

- **Dropped per participant surcharges entirely** from $1.16 per month for HMO coverage and $0.50 for PPO coverage to $0.00 PMPM.

Historical Note: In 2006, California passed the Insurance Gender Non-Discrimination Act (IGNA), guaranteeing all people the right to access coverage for medically necessary care regardless of their gender identity or expression; but, it was not until 2013 that DMHC issued a clarifying memo directing covered health plans to remove exclusions of coverage based on gender identity and expression to align with IGNA.

2013 (12 Years after Implementation):
Historical Note: In 2012, San Francisco became the first U.S. city to cover the cost of gender reassignment surgeries for its uninsured transgender residents.
Source: SF Chronicle. Heather Knight. Nov. 17, 2012.
http://blog.sfgate.com/cityinsider/2012/11/17/san-francisco-to-cover-sex-change-surgeries-for-all-uninsured-transgender-residents/

- An April 2013 CA Department of Managed Health Care Memorandum clarified that plans were prohibited from discriminating against individuals because of gender identity or gender expression.

Source:
http://www.myhss.org/downloads/board/regular_meetings/2013/RM_080813_DMHCGenderNonDiscrimination.pdf

- This change eliminated lifetime limits on gender reassignment benefits for any plan subject to DMHC jurisdiction, resulting in Kaiser and Blue Shield removing their limits.
- Subsequently, at the August 2013 Health Service Board Meeting, to maintain consistency across plans, SFHSS requested to eliminate City Plan's (UHC) $75,000 lifetime cap on transgender benefits for active employee and early retirees, which was approved.
- A $75,000 lifetime cap on transgender benefits remained for Medicare plans.

Source: http://www.myhss.org/downloads/board/regular_meetings/2013/RM_080813_M.pdf
Summary of 2013 Modified Transgender Benefit:

- **Dropped lifetime cap in all active member and early retiree plans.**

2017 (16 Years after Implementation):
Historical Notes: In June 2016, the Department of Defense lifted its ban on transgender military service, and will offer medically necessary hormone and surgical therapies for transgender active duty and reserve servicemen and women.[4] On December 31, 2016, a Texas federal judge issued a nationwide court preliminary injunction barring enforcement of Section 1557 of the Affordable Care Act, which extends anti-discrimination protections to transgender health.[5] Within a month in January 2017, the University of Arkansas, a large public employer, suspended offering its transgender-inclusive health benefits.[6]

In 2017, Kaiser independently decided to remove the $75,000 lifetime cap on transgender services for their GMAPD plans, in an effort to maintain consistency with their active plans.

- **The UHC $75,000 lifetime limit on its fully insured GMAPD plan remains.**
- **Dr. Davren (UHC) estimates across all business, the PMPM cost is only $0.10 for offering gender dysphoria benefits.**

Current Other Possible Gender Dysphoria Services Offered to SFHSS Members
Gender confirming lower body surgery includes the following:
Male to Female (MtF) lower-body surgeries: Clitoroplasty (creation of clitoris), Labiaplasty (creation of labia), Orchiectomy (removal of testicles), Penectomy (removal of penis), Urethroplasty (reconstruction of female urethra), Vaginoplasty (creation of vagina), Vulvoplasty (creation of vulva). Female to Male (FtM) lower-body surgeries: Hysterectomy (removal of uterus), Metoidioplasty

[4] Department of Defense Instruction (DoDI) 1300.28, "In-Service Transition for Transgender Service Members," June 30, 2016, and Directive-Type Memorandum (DTM) 16-005, "Military Service of Transgender Service Members," June 30, 2016.

[5] Reuters. Dec. 31. 2016. "U.S. judge blocks transgender, abortion-related Obamacare protections." http://www.reuters.com/article/us-usa-obamacare-idUSKBN14L0OP.
[6] Washington Blade. February 3, 2017. "Ark. University suspends trans health benefits." https://www.buzzfeed.com/chrisgeidner/federal-judge-halts-obamacare-transgender-abortion-related-p?utm_term=.dfkJlQdWAb#.mxWwEPAKoJ

(creation of penis, using clitoris), Phalloplasty (creation of penis, including prosthesis), Salpingo-oophorectomy (removal of fallopian tubes and ovaries), Scrotoplasty (creation of scrotum), Testicular prosthesis, Urethroplasty (reconstruction of male urethra), Vaginectomy (removal of vagina), Vulvectomy (removal of vulva).

Reconstructive Surgery: Currently, for services covered when qualified as reconstructive surgery, the 2017 Kaiser Permanente Traditional Plan Evidence of Coverage explains what reconstructive surgery is: Reconstructive Surgery - [Kaiser Permanente] cover[s] the following Reconstructive Surgery Services: 1) Reconstructive surgery to correct or repair abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, if a Plan Physician determines that it is necessary to improve function, or create normal appearance, to the extent possible. 2) Following Medically Necessary removal of all or part of a breast, we cover reconstruction of the breast, surgery and reconstruction of the other breast to produce a symmetrical appearance, and treatment of physical complications, including lymphedemas. Reconstructive surgery exclusion(s) include: Surgery that, in the judgment of a Plan Physician specializing in reconstructive surgery, offers only a minimal improvement in appearance.

Through dialogue between the DMHC and Knox-Keene regulated health plans in California during 2013 and 2014, DMHC communicated to health plans that gender dysphoria constitutes a "disease" for purposes of the California reconstructive surgery statute. In addition, DMHC indicated that a health plan's determination of whether a transgender member has an "abnormal" structure of the body must be made in terms of what is within the range of "normal" for the gender with which the transgender member identifies, rather than for their sex at birth. Pursuant to that regulatory direction from DMHC, various facial reconstruction procedures requested by a transgender member may qualify as reconstructive surgery on a case-by-case basis.