

1 Sub HB 258 INSURANCE COVERAGE AMENDMENTS (Ward, Raymond P.) with original sponsor (Peck, Nicholeen P.)

Anticipated Fiscal Impact: none for state, \$.0068 per member per month (PMPM) for those education or local government entities affected

This substitute bill would require a health plan that covers “sex transition” procedures to also cover any services to reverse an individual’s sex transition procedure. The substitute bill clarifies that if a plan only covers hormone therapy, then it only needs to provide hormone therapy to reverse that procedure. Similarly it requires a plan that covers sex transition surgeries to cover sex transition surgeries to reverse those surgeries it covers.

Historically, the State employee health plan has covered hormone therapy for adults without authorization. Because this bill now requires that plan to also cover hormone therapy to reverse any transition, those hormones are also already covered. In addition, the State health plan does not cover gender affirming or “sex transition” services. Thus, this bill would not have a fiscal impact on state employee coverage.

ANTICIPATED FISCAL IMPACT ON EDUCATION AND LOCAL GOVERNMENT ENTITIES - \$.0068 per member per month for those plans that cover sex transition services

Pursuant to Utah Code Ann. 31A-22-605.5(2)(b) and (3) – a health insurance mandate shall apply to health coverage offered in the state risk pool, public school districts, charter schools and institutions of higher education. PEHP does not cover every public school district, charter school or institution of higher education in the state, and not every one of these entities covers sex transition services. For those that cover sex transition surgeries, the cost is \$0.34 per member per month to the health plan. PEHP has not received a request for reverse sex transition surgeries and has no direct experience. We would expect that costs to reverse sex transition surgeries to be the same or less than transition surgeries on average. Based on available research, approximately 2% of individuals that receive sex transition surgeries elect to reverse their transition. So, the cost to transition is $\$0.34 \text{ PMPM} \times 2\% = \0.0068 PMPM total cost to those plans that cover sex de-transition services. Because PEHP covers hormone therapy without authorization, any hormone therapy related to detransition would also be covered. Thus, the total fiscal effect on the PEHP covered public entities that have this benefit would be:

$\$0.0068 \text{ PMPM} \times \text{number of members} \times 12 \text{ months}$