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Eliminating the Medicaid Exclusion for Transition-Related Care in NYS: Good Public Health, the Right Thing to Do and Ultimately a Cost-Saving Measure.

Medicaid provides crucially needed care to low-income people across the country. However, in New York State, transgender people cannot get the care they need through Medicaid: it is specifically excluded under N.Y. Comp. Codes R. & Regs. tit. 18, § 505.2(l). Changing this regulation would be a crucial step forward for the health and lives of transgender people.

Transition-related care is medically necessary care for transgender people.

- Gender Identity Disorder is a serious medical condition marked by an individual's clinically significant distress or impairment due to strong and persistent discomfort with the sex assigned at birth. It is commonly treated through sex reassignment treatment, which consists of hormone therapy, sex reassignment surgery, and other necessary surgeries.[i]
- Over forty years of medical experience and extensive research have established clear and safe protocols for sex reassignment treatment, published by the Endocrine Society[ii] and the World Professional Association for Transgender Health.[iii]
- Both the American Medical Association[iv] and the American Psychiatric Association[v] have adopted statements supporting access to mental, hormonal and surgical treatment for transgender people and in favor of removing financial barriers to care.

Adding trans-specific coverage to health insurance plans is affordable.

- Since prevalence of Gender Identity Disorder is very low, very few people are in need of this coverage; the American Psychiatric Association estimates that 1 in 30,000 natal males and 1 in 100,000 natal females are transgender[vi].
- In 2001, the City of San Francisco began covering transition-related care for its employees. While premiums were initially increased by $1.70 per beneficiary per month to cover these services, the premium increase was first lowered and then dropped entirely, after cost data demonstrated that over 15 times more funds were collected than were disbursed in claims and that adding this benefit did not appreciably increase overall costs.[vii]
- A preliminary estimate by the New York State Department of Health in 2010 approximated that it would cost about 1.7 million to cover gender-confirming care through Medicaid [viii]. As the state Medicaid budget totals 52 billion, this represents only .0033% of the total budget.
- Human Rights Campaign has documented notable increases in the numbers of private employers deciding it is cost effective to offer benefits; as of 2011, 25% of the Fortune 100 and 8% of the Fortune 500 cover transition-related care, as opposed to 1% and 0% in 2004.[ix]

When trans people have access to transition-related care, their overall health and well-being improve.

- **Overall mental health improves; rates of depression and anxiety drop.** A meta-analysis looking at 28 studies showed that 78% of trans people treated for GID had improved psychological functioning after treatment.[x] In two other recent studies, trans men who had ever received testosterone had significantly higher mental health than those who had not[xi], and trans women who had had any relevant surgeries had mental health scores comparable to women in general, while those who were not able to access care scored much lower on mental health measures[xii]. In another study, participants improved on 13 out of 14 mental health measures after being treated for GID.[xiii]

- **Suicide rates drop drastically**: In several studies that examined suicide attempts and ideation among trans people, rates dropped from a range of 29% to 19% before sex reassignment treatment to 6% to .8% after treatment.[xiv]

- **Substance use decreases:** In one study, rates of smoking were 32% among trans women seeing a provider for hormonal treatment, as opposed to 87% among those who were not[xv]. Participants in another study described how substance use was a coping mechanism for their gender dysphoria before they had access to treatment[xvi], and in a third study, overall substance use decreased after gender reassignment treatment.[xvii]

- **HIV-positive people show better compliance with care:** Both data from the Callen-Lorde Community Health Center and the New York Hospital/Center for Special Studies[xviii] show high rates of adherence to HIV care for trans people when combined with hormonal treatment. Recent Callen-Lorde adherence rates are over 90%[xix], as compared with two recent studies of HIV-positive trans people that found rates to be approximately 50%.[xx] Since transgender people have disproportionally high rates of HIV -- studies of trans women have found HIV prevalence rates of 32% in a New York sample[xxi], 27% in San Francisco study[xxii], and 28% in a meta-analysis looking at several studies[xxiii], as compared to a general population rate of .6%[xxiv] -- this is particularly relevant. When compliant with care, HIV-positive people stay healthier longer and are far less likely to transmit the virus to others.

Negative consequences of self-medication are lessened or eliminated:

- **Self-Administered Hormone Injections:** Trans people who do not have access to a medical provider often buy hormones on the street and take them without medical monitoring, which can have negative consequences, including serious liver problems and blood clots that can lead to stroke. According to a recent needs assessment done by the NYC Department of Health, 72% of respondents had taken hormones not under medical supervision[xxv]; in other samples, prevalence of self-dosing was 62%[xxvi] in San Francisco, 63% in Philadelphia[xxvii] and 71% in a sample of youth in Chicago[xxviii]. In addition, the possibility of needle-sharing for hormone injection risks HIV and hepatitis transmission.[xxix]

- **Silicone Injections:** When they do not have access to hormones, some trans women also inject silicone to alter body shape. Prevalence of ever having injected silicone ranges from 25% from a Washington DC needs assessment[xxx], 30% in Chicago[xxxi], and 33% in a Los Angeles needs assessment.[xxxii] Silicone injection can result in severe disfiguring and even deadly complications such as pulmonary emboli, silicone pneumonitis, acute respiratory distress syndrome, abscesses, liver disease, septic shock, and puncture of internal organs.[xxxiii]

Ultimately, improving trans people's health saves Medicaid money, because healthier patients are less expensive patients. Thus, providing trans care could:

- **Cut increased Medicaid costs for mental health:** In New York, the mean Medicaid cost for those being treated for mental health conditions was $28,451, compared to $15, 964 for non-mental health beneficiaries. Increased costs were not only due to mental health treatment; among people needing mental health treatment, spending for physical health conditions also increased by 32%.[xxxiv]

- **Decrease costly treatment for suicide attempts**: the CDC estimates that the average medical cost for a suicide attempt in the United States is $7,234[xxxv], for acute care and hospital costs only.

- **Cut increased Medicaid costs for substance use:** The mean Medicaid cost for those being treated for substance abuse was $27,839, compared to $18,051 for those who were not. Increased costs were not only due to substance abuse treatment; spending for physical health conditions for those who were substance users also increased by 17%.[xxxvi]

- **Lower rates of other diseases, as substance use drops:** Increased smoking and drug and alcohol use correlates with increased rates of lung cancer, heart disease, stroke, and liver disease[xxxvii]: all of which are complicated, expensive conditions for which Medicaid covers treatment. As substance use decreases, patients become healthier overall.

- **Transgender people have higher rates of employment after transition.** As trans people are able to live and be perceived as their self-identified gender and access appropriate identity documents, they are more likely to have steady employment and move off of Medicaid entirely. [xxxviii]

Transgender people, like all people, are healthier when they can get the medical care they need. Healthier people use less Medicaid dollars. Eliminating the Medicaid exclusion on transgender care would make New York a leader in promoting access to necessary medical care for everyone and would be cost-effective policy for the Medicaid budget.

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