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House Committee on Health Care  
Vermont State House  
115 State Street  
Montpelier, VT 05633-5301

## Re: S.37 Health Insurance Coverage Provisions

Dear Chair Houghton and Committee Members:

On behalf of MVP Health Care, this letter provides feedback concerning Sections 3 and 4 of S.37 concerning insurance coverage of abortion and related services, and gender affirming care.

### Support Coverage and Access

MVP shares the sponsors' commitment to ensuring patients' access to these important services. Currently, these are covered benefits under fully insured health insurance products sold in Vermont, including by MVP. The Senate-passed version of S.37 reflects important changes made after careful consideration of access, medical necessity, and affordability issues. MVP supports these changes and urges the House Health Care Committee to do the same.

### Cost-Sharing Considerations

While MVP policies sold to Vermonters currently cover these services and treatments, members may incur a cost-share based on the premium and benefit design of their health insurance plan.

*Gender Affirming Care*—MVP appreciates that Section 3 of the Senate-passed version would require coverage of medically necessary "gender-affirming health care services" at no greater cost-sharing than for the diagnosis and treatment of any other physical or mental condition under the plan. The Senate maintained cost-sharing requirements for gender-affirming services, recognizing that these treatments are costly and occur over long periods of time. MVP supports the approach taken by the Senate, which protects rate payers from added costs at a time when health care and health insurance remains unaffordable for so many. The Senate-approved language also recognizes the inequity of selecting any non-preventive

coverage and services for preferential treatment over those provided for other medical conditions and needs.

*Abortion Services*—Section 4 would prohibit cost-sharing requirements for abortion and abortion-related services, except by high-deductible health plans and Medicaid. This exemption for high-deductible plans (HDHPs) reflects federal Internal Revenue Service (IRS) rules that strictly limit the services that can be covered at no cost before an enrollee's deductible is met. By preserving this exemption, the Senate is protecting HDHP enrollees from adverse tax liabilities under IRS rules. Further, MVP already complies with a similar requirement in New York State. Notwithstanding MVP's overarching concerns about adding any additional cost burden that is shouldered by Vermont rate payers, the costs associated with this change are expected to be low.

### **Medical Necessity of Gender Affirming Care**

MVP thanks the Senate for ensuring that Section 3 requires coverage for gender affirming health care services and treatment for gender dysphoria be contingent upon medically necessity. Doing so maintains a strong standard of care for these patients and is consistent with the viewpoint of regulators and the broader clinical community.

The application of medical necessity is an important safeguard to ensure that patients are receiving safe, effective, and high-quality care, and MVP's coverage criteria and medical policies closely track the recommendations of the World Professional Association for Transgender Health (WPATH) and New York State requirements. The Vermont Department of Financial Regulation (DFR) has similarly endorsed the importance of medical necessity in Insurance Bulletin 174, which states: "the application of medical necessity remains an important controlling standard of care and legal requirement for treatment related to gender dysphoria, including transition and related health conditions."

### **Questions and Follow Up**

Thank you for the opportunity to comment on this important legislation. Please don't hesitate to reach out with any follow up questions or for more information.

Sincerely,



Jordan Estey  
Senior Director, Government Affairs

MVP Health Care