



625 State Street  
Schenectady, NY 12305-2111  
[mvphealthcare.com](http://mvphealthcare.com)

February 7, 2023

Senate Committee on Health and Welfare  
Vermont State House  
115 State Street  
Montpelier, VT 05633-5301

## Re: S.37 Health Insurance Coverage Provisions

Dear Chair Lyons and Committee Members:

On behalf of MVP Health Care ("MVP"), this letter provides feedback on Sections 3 and 4 of S.37 concerning insurance coverage of abortion and related services, and gender-affirming care. MVP shares the sponsors' commitment to ensuring patient access to these important services. Currently, these are covered benefits under fully insured health insurance products sold in Vermont, including by MVP.

### Cost-Sharing Considerations

While these services and treatments are covered under MVP policies sold to Vermonters, those members may incur a cost-share based on the premium and benefit design of their health insurance plan. Sections 3 and 4 of S.37 would require these services to be covered at no cost to the member. While we appreciate that out-of-pocket costs can serve as a barrier to accessing any health care service, including abortions and gender-affirming care, there are important policy implications that the Committee should consider.

First, federal rules on federally qualified high deductible health plans (HDHPs) generally limit the applicability of services that can be covered with no patient cost sharing. Internal Revenue Service (IRS) guidance limits the services an HDHP can cover at no cost before the deductible is met, which is generally limited to preventive care. As a result, MVP requests that the Committee consider recognizing federal limitations by excluding HDHPs from the cost-sharing requirements in Sections 3 and 4.

Second, policymakers must always be mindful of rising costs and affordability. The cost impact of eliminating cost sharing for these particular services may be limited, but there are other proposals introduced before this body that would require coverage of other items and services at no cost to the member. The cumulative effect of these various proposals would further increase health insurance premiums for individuals and small businesses at a time they can least afford it. Policymakers should also consider the potential inequity of singling out any non-preventive care item or service for cost-sharing elimination over another.

### Application of Gender Affirming Care Definition to Health Insurance Coverage

Section 3 ties insurance coverage requirements to the bill's proposed definition of "Gender-affirming health care services." While the definition seems appropriate for other sections of the bill, there could be unintended consequences of applying it to health insurance coverage without further clarification concerning clinically appropriate and medically necessary care.

MVP currently provides coverage of medically necessary services and treatment for gender dysphoria. The application of medical necessity is an important safeguard to ensure that patients are receiving safe, effective, and high-quality care. MVP's coverage criteria and medical policies are in accordance with comprehensive New York State requirements, and consistently reviewed and assessed in accordance with the evolving debates and recommendations of clinical experts, such as the World Professional Association for Transgender Health (WPATH). The Vermont Department of Financial Regulation 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."

MVP urges the Committee to carefully consider whether the bill's definition of "gender-affirming health care services" is appropriate for purposes of any new health insurance coverage requirements. Specifically, MVP asks for the Committee to ensure that any coverage requirement reflects "medically necessary" gender affirming health care services and treatment for gender dysphoria.

### **Questions and Follow Up**

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

Sincerely,

A handwritten signature in blue ink that reads "Jordan T. Estey". The signature is written in a cursive, flowing style.

Jordan Estey  
Senior Director, Government Affairs  
MVP Health Care