

Employers Pressed Over Health Plan Coverage of Transgender Treatments for Minors

Article By:

Timothy J. Stanton

Hillary M. Sizer

Employers are facing increasing—and conflicting—pressures over health plan coverage of puberty-blocking medications used to treat some minors for gender dysphoria.

Several states have restricted the use of transgender medical services for minor children. At the same time, courts are beginning to apply the reasoning of the landmark Supreme Court of the United States ruling on transgender rights in [Bostock v. Clayton County, Georgia](#) to disputes over health plan restrictions on transgender care. And the Human Rights Campaign, which compiles the closely watched Corporate Equality Index, has indicated that employers that want a coveted 100 percent score in 2023 will have to cover puberty-blocking medications for minors in their health plans.

Alabama, Arizona, and Arkansas have all recently enacted laws barring the use of gender-affirming medical services for children age 18 or younger. The laws particularly target medications that can be prescribed to prevent the physiological changes of puberty. Similar bills have been introduced in North Carolina, Ohio, and South Carolina.

Texas has no such law, though a state [attorney general opinion](#) stated that gender transition services could “constitute child abuse under several provisions of chapter 261 of the Texas Family Code” and directed the Texas Department of Family and Protective Services (DFPS) to start investigations. The Supreme Court of Texas later [ruled](#) that neither the attorney general nor the governor had the authority to direct DFPS investigations. On September 16, 2022, a Texas state judge temporarily enjoined DFPS from investigating any family belonging to PFLAG, a group formerly known as Parents, Families, and Friends of Lesbians and Gays, for possible child abuse solely based on allegations that a child is undergoing gender-transition care. Defendants DFPS and Governor Greg Abbott immediately appealed the ruling.

In Alabama, the [Alabama Vulnerable Child Compassion and Protection Act](#) makes it a felony to provide puberty blockers and hormone therapies to children. However, a federal judge preliminarily enjoined enforcement of the law on May 13, 2022. An appeal is scheduled in the U.S. Court of Appeals for the Eleventh Circuit in November. Similarly, a federal judge has enjoined enforcement of another puberty blocker ban, the [Arkansas Save Adolescents from Experimentation \(SAFE\) Act](#). The

Eighth Circuit affirmed the injunction on August 25, 2022, and a trial is scheduled for October.

Even as some states push for restrictions on transgender care, especially for minors, federal courts are considering challenges to benefit plan exclusions of transgender care generally. In recent months, several courts have ruled that such exclusions violate Title VII of the Civil Rights Act of 1964. A federal district court in Georgia held on June 2, 2022, that a health plan exclusion of gender-affirming care was facially discriminatory under Title VII. And a federal judge in North Carolina required the state's health plan to resume coverage of transgender treatments, including surgeries and hormone therapy. That June 10, 2022, ruling was based on Title VII and the Equal Protection Clause of the Fourteenth Amendment of the U.S. Constitution.

Those rulings come about two years after the Supreme Court held in *Bostock* that unlawful sex discrimination under Title VII includes discrimination against gay and transgender individuals.

Looking ahead, the Human Rights Campaign has released the [criteria](#) it will use to evaluate employers for its 2023 Corporate Equality Index rankings. To receive a 100 percent rating, employers will have to include health plan coverage of hormone replacement therapies for transgender individuals (and, specifically, puberty blockers for minors) and five of eight specific procedures, such as hair removal (for a reconstructive surgery or otherwise), and voice modification therapy and surgery, that are generally excluded as cosmetic.

© 2025, Ogletree, Deakins, Nash, Smoak & Stewart, P.C., All Rights Reserved.

National Law Review, Volume XII, Number 269

Source URL: <https://natlawreview.com/article/employers-pressed-over-health-plan-coverage-transgender-treatments-minors>