

# Health Care Reform<sup>2009</sup>

## LGBT Communities in Health Care Reform

### **IMPACT OF SINGLE-PAYER**

Health care reform has the potential to help gay, lesbian, bisexual and transgender Americans in the same ways that it would help all Americans. America's current health care system is driven by employer-based coverage where 162 million, the majority of Americans, get their health insurance through their employer. Heterosexual partners and their children are offered this extended coverage, whereas this existing system disenfranchises LGBT couples and their families. A single-payer system expands access, extending coverage to all regardless of sexual orientation or gender identity.

### **PREEXISTING CONDITIONS**

LGBT individuals are more likely to have medical conditions such as breast, cervical and anal cancers, mental health disorders and HIV/AIDS. With a significantly lower insured rate, LGBT individuals are more likely to have these diseases classified as "pre-existing conditions" by individual insurance providers, leading them to either completely exclude LGBT people or charge even higher insurance premiums.

### **TAX EQUITY**

Even in states with same-sex marriage or domestic partnerships, federal tax law creates barriers to employers that would offer employment-based benefits. Health benefits offered to spouses and children are tax-exempt for heterosexuals, but those same benefits are taxed when offered to legally married same-sex spouses or domestic partners.

The House Ways and Means Committee's version of the health reform bill contains language that would end this differential tax treatment for health benefits. Tax equity would encourage more employers to offer domestic partner benefits and eliminate the barriers to employees for using those benefits to cover their spouse and children.

### **TRANSGENDER ACCESS**

Transgender people are even less likely than lesbian, gay and bisexual individuals to have employer-sponsored health insurance as they face significant employment discrimination and thus often lack any formal employment. Even with access to health insurance transgender individuals can rarely find coverage that fully meets their health care needs, as most plans do not cover the costs associated with transitioning. Reform should include complete transgender health services, as transgender benefits have been shown to be cost-neutral.

**References:** Josh Rosenthal, "LGBT Issues in Health Reform," Issue Brief on Making Health Reform Work for All Americans, Center for American Progress. July 27. 2009.



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