

BILL ANALYSIS

C.S.H.B. 778
By: Leach
Insurance
Committee Report (Substituted)

BACKGROUND AND PURPOSE

According to the author of the bill, the United States National Library of Medicine with the National Institutes of Health, the New Journal of Urology, and individuals who have undergone gender transition treatments and procedures, these treatments and procedures have the potential to cause adverse side effects and, in some cases, may require long-term medical care. Individuals who have reversed their transition have reported to the bill author that they chose to do so due to these types of adverse consequences. C.S.H.B. 778 seeks to ensure adequate health care coverage and assistance to those individuals dealing with adverse effects from undergoing gender transition treatment or procedures or have decided to reverse their transition by requiring any health benefit plan that provides coverage for any gender transition procedures and treatment to also provide coverage for any adverse consequences, certain testing or screening, and any procedure, treatment, or therapy related to an enrollee's gender transition procedure or treatment.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 778 amends the Insurance Code to require an applicable health benefit plan that provides or has ever provided coverage for an enrollee's gender transition procedure or treatment to provide coverage for the following, including for any applicable diagnostic or billing code:

- all possible adverse consequences related to the enrollee's gender transition procedure or treatment, including any short-term or long-term side effects of the procedure or treatment;
- any baseline and follow-up testing or screening necessary to monitor the mental and physical health of the enrollee on at least an annual basis without regard to the sex or gender identity designation in the enrollee's medical record; and
- any procedure, treatment, or therapy necessary to manage, reverse, reconstruct from, or recover from the enrollee's gender transition procedure or treatment.

The bill requires the health benefit plan to also provide such coverage to any enrollee who has undergone a gender transition procedure or treatment regardless of whether the enrollee was enrolled in the plan at the time of the procedure or treatment.

C.S.H.B. 778 defines "gender transition" as a medical process by which an individual's anatomy, physiology, or mental state is treated or altered, including by the removal of otherwise healthy organs or tissue, the introduction of implants or performance of other plastic surgery, hormone

treatment, or the use of drugs, counseling, or therapy, for the purpose of furthering or assisting the individual's identification as a member of the opposite biological sex or group or demographic category that does not correspond to the individual's biological sex. The bill defines "gender transition procedure or treatment" as a medical procedure or treatment performed or provided for the purpose of assisting an individual with a gender transition.

C.S.H.B. 778 specifies the types of plans to which its provisions apply and excepts from that applicability a self-funded health benefit plan as defined by the federal Employee Retirement Income Security Act of 1974. If before implementing any provision of this bill a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision must request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted. The bill applies only to a health benefit plan that is delivered, issued for delivery, or renewed on or after January 1, 2026.

EFFECTIVE DATE

September 1, 2025.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 778 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Both the substitute and the introduced require coverage for adverse effects and reversals by a health benefit plan that provides coverage for an enrollee's gender transition procedure or treatment, but the versions differ as follows:

- the substitute makes the requirement applicable to a health benefit plan that has ever provided coverage for an enrollee's procedure or treatment, whereas the introduced did not;
- the substitute specifies that the required coverage includes any applicable diagnostic or billing code, whereas the introduced did not;
- the substitute specifies that the testing or screening necessary to monitor the mental and physical health of an enrollee is baseline and follow-up testing or screening necessary for such monitoring, whereas the introduced did not;
- the substitute specifies that such testing or screening is without regard to the sex or gender identity designation in the enrollee's medical record, whereas the introduced did not;
- with respect to the requirement for coverage of any procedure or treatment necessary to reverse the enrollee's gender transition procedure or treatment, the substitute requires coverage of therapy necessary for that purpose, whereas the introduced did not; and
- with respect to the coverage of the type of procedure, treatment, or therapy that is necessary, the substitute requires coverage of a procedure, treatment, or therapy necessary to manage, reconstruct from, or recover from the enrollee's gender transition procedure or treatment, whereas the introduced did not.