

BILL ANALYSIS

Senate Research Center

S.B. 1257
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Health & Human Services
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1257 is a necessary and urgent legislative measure that seeks to ensure equitable healthcare coverage for individuals who have undergone gender transition procedures. Currently, health benefit plans in Texas provide extensive coverage for gender transition treatments, including surgeries, hormone therapies, and other medical interventions. However, there is a critical gap in coverage for the adverse effects, medical complications, function recovery and reconstruction procedures related to these treatments. This bill addresses that gap by mandating that health benefit plans that provide or provided transition-related coverage also extend coverage to include follow-up care, adverse effect management, and potential reconstruction treatments.

The need for this legislation is underscored by the growing number of individuals who experience complications or regret their transition, often referred to as "detransitioners." Many of these individuals require extensive medical care to manage or reverse the effects of previous treatments, yet they are frequently denied insurance coverage, leading to insurmountable out-of-pocket expenses. Without this coverage, patients face significant health risks, including hormone imbalances, surgical complications, and psychological distress. This bill ensures that insurance companies provide coverage for necessary medical interventions such as reconstructive procedures, mental health counseling, and routine health screenings that align with a patient's biological sex and prior treatments.

Furthermore, the absence of standardized diagnostic and billing codes for post-transition care creates barriers to effective treatment and hinders the collection of critical healthcare data. By requiring health benefit plans to incorporate these codes, S.B. 1257 facilitates better healthcare planning, ensures proper patient tracking, and allows for actuarial assessments of long-term treatment costs. Without these provisions, physicians lack essential information to properly advise their patients, insurance companies cannot adequately assess long-term risks, and patients struggle to receive the medical care they require.

Passing S.B. 1257 is essential to protecting patient rights and ensuring that all individuals, regardless of their transition history, have access to the healthcare they need. The bill guarantees that health benefit plans extend coverage to post-transition medical needs, preventing patients from being left without essential care. By addressing the gaps in the current insurance framework, Texas can lead the way in responsible and equitable healthcare policy. The time to act is now—this legislation is vital for ensuring comprehensive, fair, and necessary healthcare for all Texans.

(Original Author's/Sponsor's Statement of Intent)

S.B. 1257 amends current law relating to required health benefit plan coverage for gender transition adverse effects and reversals.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle E, Title 8, Insurance Code, by adding Chapter 1373, as follows:

**CHAPTER 1373. REQUIRED COVERAGE OF GENDER TRANSITION ADVERSE
EFFECTS AND REVERSALS**

Sec. 1373.001. DEFINITIONS. Defines "gender transition" and "gender transition procedure or treatment."

Sec. 1373.002. APPLICABILITY OF CHAPTER. Provides that this chapter applies only to a health benefit plan that provides benefits for medical or surgical expenses or pharmacy benefits incurred as a result of a health condition, accident, or sickness, including an individual, group, blanket, or franchise insurance policy or insurance agreement, a group hospital service contract, or an individual or group evidence of coverage or similar coverage document that is issued by certain entities.

(b) Provides that, notwithstanding any other law, this chapter applies to certain health coverage plans and programs.

(c) Provides that this chapter applies to coverage under a group health benefit plan provided to a resident of this state regardless of whether the group policy, agreement, or contract is delivered, issued for delivery, or renewed in this state.

(d) Provides that this chapter does not apply to a self-funded health benefit plan as defined by the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.).

Sec. 1373.003. REQUIRED COVERAGE. (a) Requires that a health benefit plan that provides or has ever provided coverage for an enrollee's gender transition procedure or treatment provide coverage for, including for any applicable diagnostic or billing code:

(1) all possible adverse consequences related to the enrollee's gender transition procedure or treatment, including any short- or long-term side effects of the procedure or treatment;

(2) 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

(3) any procedure, treatment, or therapy necessary to manage, reverse, reconstruct from, or recover from the enrollee's gender transition procedure or treatment.

(b) Requires that a health benefit plan that offers coverage for a gender transition procedure or treatment also provide the coverage described by Subsection (a) 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.

SECTION 2. Requires a state agency, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, and authorizes a delay of implementation until such a waiver or authorization is granted.

SECTION 3. Makes application of Section 1373.003, Insurance Code, as added by this Act, prospective to January 1, 2026.

SECTION 4. Effective date: September 1, 2025.