

RESOLUTION NO.

WHEREAS, an estimated .3% to .5% of the population identifies as transgender; and

WHEREAS, the City of Austin strives to be an inclusive community; and

WHEREAS, the City of Austin's non-discrimination ordinance states that "an employer may not fail or refuse to hire or discharge an individual, or otherwise discriminate against an individual with respect to compensation, terms, conditions, or privileges of employment, based on the individual's race, color, religion, sex, sexual orientation, gender identity, national origin, age, or disability"; and

WHEREAS, transgender-inclusive benefits encompass primary care, hormone therapy, mental health care, and surgical care; and

WHEREAS, current City of Austin benefits do not cover surgical care or hormone therapy services; and

WHEREAS, in Letter No. 2014-17 from the United States Office of Personnel Management, Director John O'Brien notes "evolving professional consensus" that treatment is medically necessary for transgender individuals; and

WHEREAS, in 2008, the American Medical Association called for equitable insurance coverage and treatment as recommended by a physician and in alignment with standards of care established by the World Professional Association for Transgender Health; and

WHEREAS, as noted by the Human Rights Campaign, not all transgender people want or need surgery or associated medical services; and

WHEREAS, 42 cities which increased from 16 cities in 2013 across the United States are providing transgender-inclusive coverage in health plans including Washington, D.C., Seattle, San Francisco, Portland, Miami Beach, Boston, Cincinnati, Rochester, and Berkeley; and

WHEREAS, Resolution No. 20140522-044 passed unanimously by Council directed the City Manager to evaluate the City of Austin's performance on the Human Rights Campaign's Municipal Equality Index and work with stakeholders to improve that score; and

WHEREAS, the 2013 Human Rights Campaign Municipal Equality Index specifically identified transgender-inclusive benefits as an area where the City of Austin could improve to achieve equality for lesbian, gay, bisexual, and transgender people; and

WHEREAS, stakeholders including the Human Rights Campaign, Human Rights Commission, Equality Texas, the Austin Gay and Lesbian Chamber of Commerce, and the Transgender Education Network of Texas support the City offering transgender-inclusive benefits; and

WHEREAS, according to a 2013 UCLA report titled Costs of and Benefits of Providing Transition-Related Health Care Coverage in Employee Health Benefits

Plans, employers reported that transition-related health care benefits have zero or very low costs and low utilization rates estimated at 1 out of 10,000 employees for employers with 1,000 to 10,000 employees and 1 out of 20,000 employees for employers with 10,000 to 50,000 employees; and

WHEREAS, another statistic in the UCLA report found that 85% of 26 employers who provide information about the cost of adding transition-related coverage to existing health care plans found no additional costs associated with adding transgender-inclusive coverage; and

WHEREAS, 2014 City benefits were \$6,908 for PPO and \$7,463 for HMO employee-only plans, and \$20,800 for PPO and \$22,486 for HMO employee and family plans; and

WHEREAS, in 2018 the Affordable Care Act will implement a 40% Excise Tax on benefit programs that are considered to be “Cadillac Plans” by exceeding \$10,200 for Employee plans and \$27,500 for Employee + Family plans with thresholds inflating at 4% in 2018 and 3% in subsequent years; and

WHEREAS, because current City plan rates are 32.28% below the Excise Tax threshold and other employers found little to no increase associated with providing transgender-inclusive benefits, there is reason to believe the City will not reach the Excise Tax threshold and incur related costs; and

WHEREAS, positive outcomes for businesses that provide transgender-inclusive coverage include increased job satisfaction and productivity for employees, improved health outcomes among LGBT employees, improved workplace relationships, and improved bottom lines for employers; and

WHEREAS, including these benefits reflects the City of Austin's values and commitment to inclusivity and equity in the workplace and throughout the Austin community; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to incorporate transgender-inclusive benefits as part of the City employee benefits package in the Fiscal Year 2015-2016 proposed budget.

ADOPTED: _____, 2014 **ATTEST:** _____

Jannette Goodall
City Clerk