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FOR IMMEDIATE RELEASE

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Maryland to Provide Nondiscriminatory Health Coverage to Transgender State Employees

(Baltimore, July 22, 2014) – FreeState Legal announced today that the State of Maryland has changed its employee health care policy to remove all language that denies coverage to transgender people for transition-related health care. The change came in response to a legal claim filed by FreeState Legal on behalf of Sailor Holobaugh. Mr. Holobaugh, who is a state employee, was denied insurance coverage for a medically necessary bilateral mastectomy because he is transgender.

"Maryland has moved one step closer to achieving full equality and justice for transgender Marylanders," said Aaron Merki, Executive Director of FreeState Legal. "We celebrate this development, and look forward to a time when these discriminatory exclusions are removed from all public and private health insurance policies."

"My experience as a social worker and a Scout has made me appreciate the importance of persevering for change and equality," Holobaugh said. "I am thrilled that people who serve Maryland as State employees now have increased access to health services, and that they can extend these benefits to their dependents." In its decision, the State has agreed to settle Holobaugh's claim by reimbursing him for his surgical procedure. The State has also removed the transition-related care exclusion from all of the state employee health plans, and is implementing a new, comprehensive Gender Dysphoria Benefit in its place.

The new Gender Dysphoria Benefit is effective immediately and provides coverage for transition-related treatment that is medically necessary, including hormone replacement therapy and a variety of surgical procedures. The benefit applies to all participants in the State's health benefit program for state employees and retirees, including state employees and retirees and their spouses and dependents. The standard for medical necessity under the benefit closely tracks the "Standards of Care" established by the World Professional Association for Transgender Health (WPATH), which is internationally recognized as the leading authority on health care for transgender persons.

Maryland now becomes the third state in the nation to provide nondiscriminatory health coverage to state employees and retirees who are transgender. It follows Oregon and California, which established similar coverage changes in 2013 and 2014, respectively.

In 2013, Holobaugh, who is employed by the University of Maryland - Baltimore, sought reimbursement for a medically necessary bilateral mastectomy through the State of Maryland Employee & Retiree Health & Welfare Benefits Program. His claim was denied on the basis of an exclusion which barred any "procedure or treatment designed to alter an individual's physical characteristics to those of the opposite sex."

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In November 2013, Holobaugh, represented by FreeState Legal, filed an Equal Employment Opportunity complaint against the State, alleging that the transition-related health care exclusion violated Governor O'Malley's 2007 executive order prohibiting discrimination in state employment on the basis of gender identity. An additional complaint with the Maryland Commission on Civil Rights was filed in January 2014. The settlement resolves both of those claims.

"With the passage this year of the Fairness for All Marylanders Act and the establishment of the state employee Gender Dysphoria Benefit, Maryland is making great strides toward transgender equality," said Jer Welter, Managing Attorney of FreeState Legal, who represented Holobaugh. "However, there is still work to be done, including the elimination of similar transition-related care exclusions in the Maryland Medical Assistance (Medicaid) program and in policies issued by private insurers regulated by the Maryland Insurance Administration. FreeState Legal will continue to work diligently on these issues to further ensure that equal and fair health care coverage is a staple for all LGBTQ Marylanders."

FreeState Legal applauds Governor O'Malley and his administration, and the Department of Budget & Management in particular, for moving forward with this decision and expanding transgender rights in the State of Maryland. With the passage of the Fairness for All Marylanders Act during the 2014 legislative session and the decision in Mr. Holobaugh's case, Maryland is now one of the states with the strongest protections and services for transgender state employees.

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FreeState Legal Project is a legal advocacy organization that seeks to improve the lives of low-income lesbian, gay, bisexual, transgender, and queer ("LGBTQ") Marylanders. Despite recent, incremental judicial victories for the national LGBTQ community, the low-income LGBTQ population continues to struggle with legal challenges such harassment, complex family law issues, and anti-LGBTQ discrimination in employment, housing, foster care, healthcare and public accommodations. In addition to needing attorneys with specific knowledge of how the law affects LGBTQ citizens, LGBTQ clients need attorneys who will treat them with respect and understanding. FreeState's mission is to combine direct legal services with education and outreach to ensure that the low-income LGBTQ community Maryland receives fair treatment in the law and society.

FreeState was founded in 2007 by a group of attorneys and law students who recognized that the specific needs of the low-income LGBTQ population were not being effectively met. To date, FreeState is one of only a few direct service LGBTQ advocacy organizations in the United States. FreeState began accepting cases in 2008 and began building a network of pro bono attorneys who volunteer their time to assist clients.