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## Federal Workers Fight Gender-Affirming Coverage Rollback

By **Grace Elletson**

Law360 (January 5, 2026, 1:58 PM EST) -- A group of federal employees has filed a discrimination complaint with the U.S. Office of Personnel Management, saying the decision to end coverage for certain gender-affirming medical procedures under the workers' health insurance plans amounted to unlawful sex bias.



Federal workers have accused the U.S. Office of Personnel Management of unlawful sex bias after it ended health insurance coverage for certain gender-affirming medical procedures. (Brianna Bivens/The Daily Times via AP, File)

The workers' **class complaint** filed Thursday in OPM's Equal Employment Opportunity Office takes aim at the **agency's policy**, announced in August, that "chemical and surgical" medical treatments used to modify one's sex would no longer be covered under the Federal Employee Health Benefits program or the Postal Service Health Benefits program.

"This policy plainly discriminates on the basis of sex against federal employees who seek to obtain coverage under their FEHB or PSHB insurance plans for gender-affirming care, either for themselves or for their dependents who are covered under the plans," the employees said.

The OPM announced in August that government healthcare plans would no longer cover certain gender-affirming care services as of Jan. 1, 2026, for federal workers and dependents on their health plans.

The exclusion only applies for hormonal treatments specifically used to treat gender dysphoria, the agency said, making clear that certain hormone-based treatments used for cancer and IVF are still eligible for coverage.

The agency also said the exclusion does not apply to counseling services for those who are being treated for gender dysphoria — a medical diagnosis for those whose gender identity differs from their sex assigned at birth — or for those who are in the midst of treatment for gender dysphoria.

The workers said in Thursday's complaint that the policy discriminates based on sex and that OPM's exceptions to the policy are also discriminatory, while also calling them "narrow and opaque."

A U.S. Postal Service employee, whose name is redacted in the complaint, said the new policy will prevent their daughter from receiving coverage for puberty blockers and hormone replacement therapy that her doctors recommended to treat her gender dysphoria.

A U.S. Department of State employee said the policy also places their hormone replacement therapy treatment at risk, as well as a gender-affirming surgery recommended by their doctor to treat the worker's gender dysphoria.

The workers said they seek a reversal of the policy and commitments from OPM that government healthcare plans will base coverage decisions on nondiscriminatory criteria.

The OPM's policy follows an executive order issued by President Donald Trump in January 2025, stating that his administration will only recognize male and female sexes that are unchangeable.

"This policy is not about cost or care — it is about driving transgender people and people with transgender spouses, children, and dependents out of the federal workforce," Human Rights Campaign Foundation President Kelley Robinson said in a press release. The HRC is representing the workers. "These federal employees will now be forced into an impossible situation that pits them between their jobs and access to the care they need.

A representative for the OPM did not immediately respond to requests for comment.

The workers are represented by Cathy Harris, Jonathan Puth, Andrew M. Adelman and Kelsey Speyer of Correia & Puth PLLC, and Cynthia Weaver and Ami Patel of the Human Rights Campaign Foundation.

--Editing by Lakshna Mehta.