Hartzler Cost Estimate Methodology: \$1.35 Billion

• The 10 year cost estimate is for surgery only and is adjusted for 3% inflation; it accounts for Active Duty, Guard, and Reserve members currently serving as well as new recruits over the same time period. It uses the FY 18 DoD number for total number of military members and multiplies it by the percentage of military personnel assumed to be transgender as reported by the UCLA Williams Institute and the National Center for Transgender Equality. This calculation provides the total number of transgender military members, which closely correlated to the U.S. Navy estimate for transgender personnel. The total number of transgender military members is multiplied by the percentage of transgender personnel who will seek gender reassignment surgery as reported by the Washington Post and The National Center for Transgender Equality's Transgender Discrimination Survey; this calculation provides the total number of surgeries. The total number of surgeries is then multiplied by the average cost of gender transition surgeries as reported by CNN and the Philadelphia Center for Transgender Surgery; this calculation provides the total cost. The total cost is adjusted for 3% inflation over a 10 year period. The same methodology is applied to 10 years' worth of new recruits based on 2015 DoD recruitment numbers.

Hartzler Cost Estimate vs. RAND Study

Hartzler (\$1.35 billion)

- 1. 10 Year Estimate, adjusted for 3% inflation
- 2. Includes Active Duty, Guard, and Reserve (2.13 million personnel)
- Estimates 14,910 as the total number of transgender members in the military. This
 number is substantiated by the UCLA Williams Institute and the National Center for
 Transgender Equality. U.S. Navy estimates 13,000.
- 4. Based on estimates from the National Transgender Discrimination Survey, 30% of transgender members will seek gender re-assignment, which equates to 4,473 surgeries in the DoD. Almost all of the respondents in the referenced survey paid for surgery "out of pocket;" if the government offers free surgery, this number is likely much higher.
- Accounts for average ACTUAL costs of surgery from a transgender surgical provider (\$132,000 is the average of M2F \$140,450 and F2M \$124,400)
- 6. Does not account for hormone therapy
- 7. Does not account for dependent hormone therapy
- 8. Does not account for mental health care increases
- 9. Does not account for surgical complications
- 10. Does not account for gender transition reversals

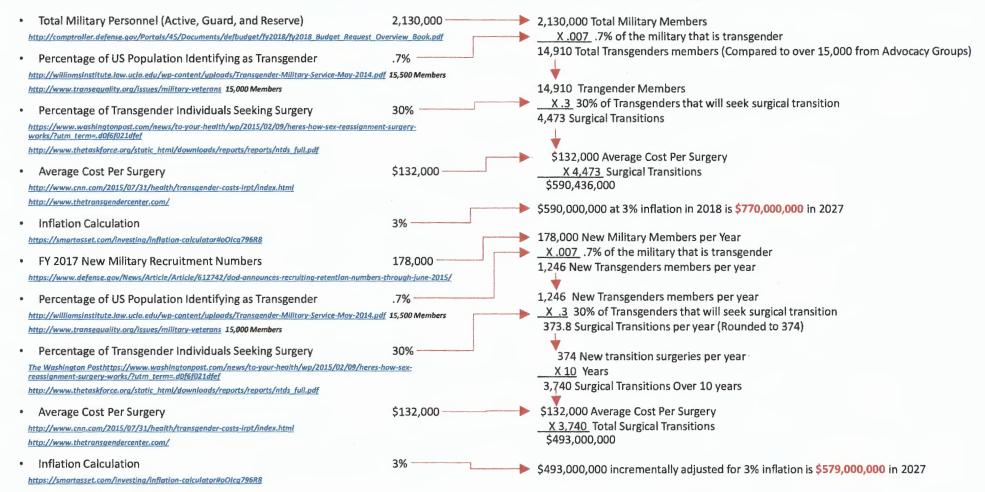
*RAND (\$2.4 to \$8.4 million)

- 1. 1 Year Estimate, no inflation adjustment
- 2. Active Duty Only (1.3 million personnel)
- Estimates there are 3,960 transgender military members. This is much lower than the U.S. Navy's projection of 13,000 and lower than transgender advocacy group estimates. There is a 500% difference between their high and low estimates for the number of transgender in the military. (1,320 vs. 6,630).
- 4. Estimates that 5% of transgender members will seek gender re-assignment surgery
- Uses the cost increase in private insurance premiums between plans that cover transgender care versus plans that do not cover transgender care. (No actual estimate of surgical costs)
- 6. Does not account for hormone therapy
- 7. Does not account for dependent hormone therapy
- 8. Does not account for mental health care increases
- 9. Does not account for surgical complications
- 10. Does not account for gender transition reversals

*RAND Report Issues and Limitations

- The RAND study was sanctioned by Ash Carter under, "the presumption that transgender persons can serve openly without adverse impact on military effectiveness and readiness..."
- RAND is an FFRDC funded by OSD, which is made up of political appointees from the White House.
- The merits of impartiality of this study are questionable.
- "A critical limitation of such an assessment is that much of the current research on transgender prevalence and medical treatment rates relies on self-reported, nonrepresentative samples. Thus, the information cited here must be interpreted with caution because it may have varying degrees of reliability." -RAND Study, page 39

Cost of Transgender Surgeries for Existing Force



\$770,000,000 + \$579,000,000 = \$1,349,000,000