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NEWS FOR IMMEDIATE RELEASE

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Wisconsin Department of Justice Joins Coalition Challenging Trump Administration's Latest Attack On Gender-Affirming Health Care

MADISON, Wis. — The Wisconsin Department of Justice (DOJ) joined a coalition in challenging the Trump administration's attempt to prohibit states from using federal Medicaid funds for gender-affirming care for low-income youth and some young adults.

In their [lawsuit](#), the coalition argues that since the creation of the Medicaid and Children's Health Insurance Program (CHIP) programs in the 1960s, Congress has always granted states the authority to determine which services would be covered under their Medicaid and CHIP programs, subject only to limits set by statute. The coalition asserts that the U.S. Department of Health and Human Services (HHS) and the Centers for Medicare & Medicaid Services (CMS) are now acting without statutory authority or a reasoned basis to second-guess state Medicaid agencies' reliance on individualized medical necessity and treatment decisions made by healthcare providers. Instead, based solely on CMS's unilateral decision-making, the agencies are categorically excluding medically-necessary healthcare services from federal reimbursement only when provided to low-income transgender adolescents.

"The Department of Health and Human Services and the Centers for Medicare & Medicaid Services should not be standing in the way of patients' ability, in consultation with their medical provider, to obtain evidence-based health care," said AG Kaul. "Decisions about what care is covered should be based on the best interests of patients, not ideology."

In December 2025, HHS proposed a rule prohibiting federal reimbursement for gender-affirming care for Medicaid beneficiaries under age 18 and CHIP beneficiaries

under age 19, despite covering the same healthcare treatment when provided to non-transgender youth. HHS received more than 30,000 comments on the proposal. More than 90% of the comments, including comments from Wisconsin DOJ and a coalition of state attorneys general, opposed the rule. Despite this strong opposition, the broad medical consensus on the safety and efficacy of transgender youth healthcare and strong state law guardrails to ensure high-quality care, HHS finalized the rule earlier this month, with an effective date of Oct. 13, 2026.

In their complaint, the coalition argues that the rule would set a troubling and unlawful precedent that the executive branch can, without congressional authorization, replace individualized judgments made by licensed medical practitioners with a categorical, agency-determined prohibition on reimbursement for healthcare it disfavors.

The coalition argues that the rule runs counter to several federal and state laws. They also assert that the rule violates the Administrative Procedure Act and the Spending Clause of the U.S. Constitution.

Since the first day of President Trump's second term, the administration has launched relentless attacks on this small and vulnerable population in nearly every aspect of their lives, but especially in healthcare. Wisconsin DOJ has fought these attacks, including [a recent court victory](#) protecting gender-affirming care under the Affordable Care Act,

Joining Wisconsin DOJ in filing today's lawsuit are the attorneys general of California, Colorado, Connecticut, Delaware, the District of Columbia, Hawaii, Illinois, Maine, Michigan, Minnesota, Maryland, Massachusetts, Nevada, New Jersey, New York, Oregon, Rhode Island, Vermont, Virginia, and Washington, along with the governor of Pennsylvania.