The insurer Mutual of Omaha has agreed to stop refusing to provide certain types of coverage to Massachusetts residents who take a medication that prevents HIV, amid allegations of discrimination in two separate legal settlements announced Tuesday.

In an agreement with Attorney General Maura Healey, the company said it had discontinued the practice of denying life insurance and long-term-care insurance to people who take Truvada, a daily medication that prevents transmission of HIV.

And in a settlement with a Boston man represented by GLBTQ Legal Advocates and Defenders, known as GLAD, the insurance company agreed to stop declining long-term-care insurance based solely on the fact that a person takes Truvada.

The agreements affect only Massachusetts residents and apply to one insurer.

But such practices occur throughout the industry and are increasingly drawing the attention of policymakers, said Bennett Klein, GLAD’s AIDS law project director. Last year, New York state declared such policies unlawful and California officials said they would investigate the practice, Klein said.

“Since 2014, GLAD has received calls from people all over the country who have experienced denials of long-term-care insurance, life insurance, and disability insurance simply because they were using PrEP,” he said. “We call on the industry today to follow in Mutual’s footsteps and eradicate these exclusions from their plans, because they are not rational.”
In a statement to the Globe on Tuesday, Mutual of Omaha said it had eliminated the exclusion for PrEP users in July 2018, which “facilitated an amicable resolution of the Massachusetts Attorney General’s investigation.”

Truvada, also known as PrEP for pre-exposure prophylaxis, is a combination of two medications that together block the transmission of HIV 92 percent to 99 percent of the time. PrEP is taken by people who do not have HIV but are at risk for getting it.

Some 4,390 Massachusetts residents were taking the medication in 2017, among the highest rates in the country, according an analysis by Emory University and Gilead Sciences, Truvada’s manufacturer.

GLAD sued Mutual of Omaha in 2014 — the first suit to challenge insurance exclusions based on PrEP usage — and also brought the issue to the attention of the attorney general, who launched an investigation. GLAD said the exclusion discriminates against gay men, who make up 80 percent of people who take PrEP.

“Consumers looking to protect themselves from HIV transmission should not be excluded from buying insurance,” Healey said in a statement.

In the settlement with Healey, Mutual of Omaha has revised its underwriting practices to ensure that it “will not deny, rate, or otherwise take any adverse action against any Massachusetts resident who applies for any type of accident, life, sickness, or health insurance, including . . . long-term-care insurance, based on the applicant’s use of Truvada for PrEP.”

The company will allow consumers previously denied insurance because they take PrEP to reapply for coverage and will honor premium rates in effect at the time of the original application.

Additionally, Mutual of Omaha will pay the state $25,000.

The agreement with the attorney general specifies that Mutual of Omaha has not admitted to breaking any law, rule, or regulation and that the payment is not a fine.

The GLAD suit was brought on behalf of a 61-year-old Boston man identified only as John Doe who applied for long-term-care insurance. His medical records showed that he had a prescription for Truvada, and on that basis, Mutual of Omaha refused to cover him, the suit states. That violated Massachusetts laws prohibiting discrimination on the basis of sexual orientation and disability, the suit alleged.

GLAD asserted in court documents that Mutual of Omaha’s policy “flies in the face of common sense”: Most of the people who are at risk of HIV don’t take PrEP, and the insurance company will sell them insurance; but it denies coverage to people who are taking the drug and thus at extremely low risk of contracting HIV.

Even in states that don’t have laws prohibiting discrimination based on sexual orientation, insurance commissioners can still find such policies illegal because they “don’t have a sound actuarial basis,” Klein said. “These exclusions are counterfactual because they’re rejecting the lower risk and insuring the higher risk.”