

# The Cost of Unintended Pregnancy in Iowa

## A Benefit-Cost Analysis of Public Funded Family Planning Services

*Unintended pregnancies continue to be a public health concern in the United States*

### Background

Unintended pregnancies continue to be a public health concern in the US. Nationally, 43% of births to 18-44 year olds can be classified as unintentional (Ahluwalia, et al. 2007), while in Iowa, approximately 50% of pregnancies are unintended (Losch, 2007). In 2002, the total direct medical cost of unintended pregnancy in the US was \$5 billion dollars.

Access to and use of family planning

services is an integral part of reducing the number of unintended pregnancies. An analysis of publicly funded family planning services was conducted for Iowa in order to determine the benefit of averting unplanned pregnancies with voluntary use of such services. A benefit-cost ratio was calculated, with the benefit representing the potential avoided public expenditures for every dollar spent on family planning.

### Methodology

Iowa data were used to ensure values reported were representative of the state. The base year is 2009, with the scope of the study limited to women served by publicly funded family planning clinics. A public perspective was adopted so that only avoided public expenditures were included.

The cost of family planning services was determined from women enrolled in the Iowa Family Planning Waiver Program.

Avoided expenditures include all public funds not spent if an unintended pregnancy is avoided or postponed including:

- Welfare Assistance
  - Family Investment program
  - Food Assistance
  - Women, Infants and Children Program
  - Child Care assistance

- Medical Assistance
  - Prenatal and delivery reimbursements
  - Pediatric reimbursements
  - Maternal health reimbursements
  - Vaccines for Children

Results are reported for three welfare eligibility criteria

- Women already receiving assistance
- Women newly eligible for assistance (prenatal and delivery reimbursement not incl.)
- Women newly eligible for assistance (prenatal and delivery reimbursement incl.)

Results reported for two time horizons

- 1 year
- 5 years

All costs and avoided expenditures were discounted to a present value.

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*Family planning services remain cost-effective from a public perspective*

*The one-year analysis demonstrates cost savings for every age group*

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## Key Findings

- Family planning services remain cost-effective from a public perspective.
- Using weighted averages across age categories, the ratio of benefit to cost for a 1-year time period is 3.78 – that is, for every dollar spent on family planning \$3.78 is saved in averted costs. For a 5-year time frame, the benefit increases to \$15.12 per dollar spent.
- The greatest cost savings appear among teen mothers (newly eligible and including prenatal and delivery reimbursement) where \$4.34 is averted for every dollar invested in family planning.
- The one-year analysis demonstrates cost savings for every age group when prenatal and delivery reimbursement are included in the costs considered.

### Weighted Average Benefit-Cost Ratios by Eligibility Criteria

Time Period	Already Receiving	Newly Eligible (Prenatal and Delivery Reimbursement <u>not</u> incl.)	Newly Eligible (Prenatal and Delivery Reimbursement incl.)
1 year	3.40	2.92	3.78
5 years	10.84	14.30	15.12

### One-Year Benefit-Cost Ratios by Assistance Category

Age	Already Receiving	Newly Eligible (Prenatal and Delivery Reimbursement <u>not</u> incl.)	Newly Eligible (Prenatal and Delivery Reimbursement incl.)
14-19	3.97	3.37	4.34
20-24	3.40	2.87	3.74
25-29	3.66	3.25	4.14
30-34	1.64	1.48	1.88
35-44	0.93	0.90	1.13

### Five-Year Benefit-Cost Ratios by Assistance Category

Age	Already Receiving	Newly Eligible (Prenatal and Delivery Reimbursement <u>not</u> incl.)	Newly Eligible (Prenatal and Delivery Reimbursement incl.)
14-19	12.71	16.30	17.23
20-24	11.24	14.65	15.52
25-29	12.26	16.56	17.45
30-34	5.46	7.57	7.98
35-44	3.10	4.68	4.92

## Conclusions

Results show that although costs of methods have increased, the potential avoidable cost has also increased and family planning services remain cost-effective from a public perspective.

The analyses clearly demonstrate that in Iowa, the costs associated with providing

publicly funded family planning services to eligible women is less than the potential public expenditures that can be averted through the avoidance or postponement of an unintended pregnancy.