

# Paying for Abortion:

## How Cost Can Be an Obstacle to Care

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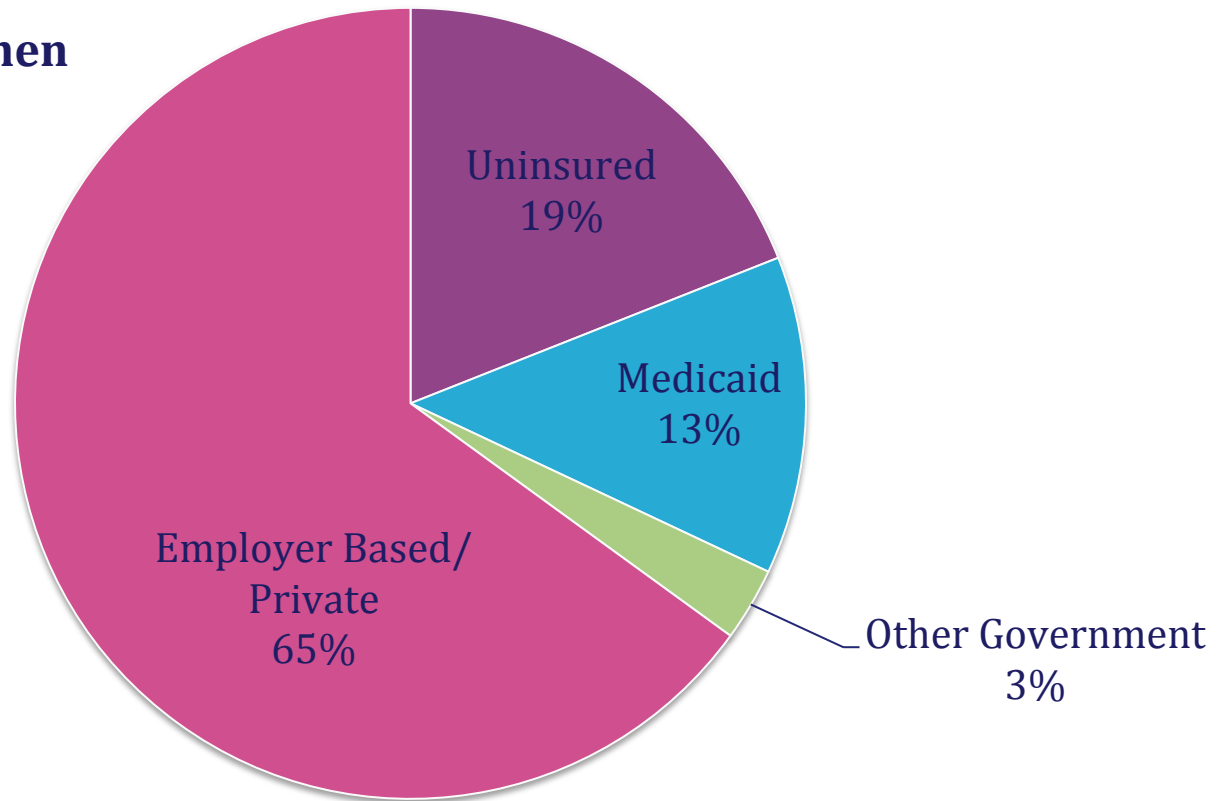
# How is health care paid for in the U.S.?

# Payment for Medical Services in the U.S. Before 2014

- Commercial insurance
  - Employer-based plans
  - Private: individual, small group plans
- Medicaid (poor + qualifying condition or status)
- Medicare (65 or older; younger with certain disabilities)
- Other governmental
  - Military, Tricare (dependents), Veteran's Administration
  - Indian Health Service
- Uninsured
  - Subsidized: community health centers, family planning
  - Self-pay (out-of-pocket)

# Health Insurance Coverage of U.S. Women of Reproductive Age, 2011

60.8 Million Women



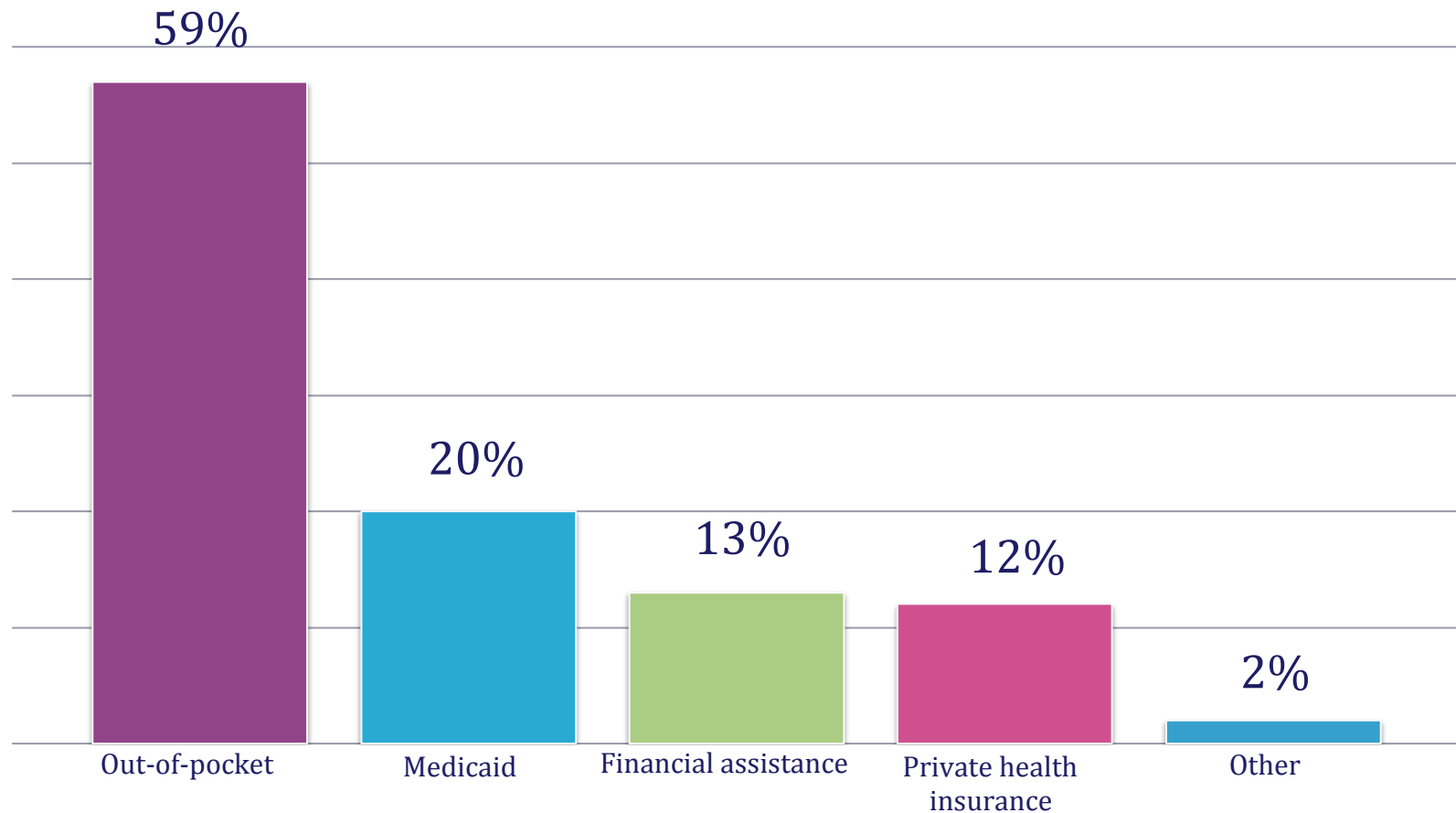
NOTE: Women ages 19-49. Total excludes women not legally authorized in the U.S. Medicaid Eligible includes women eligible for Medicaid in all states.

# Abortion Payment Issues for U. S. Women

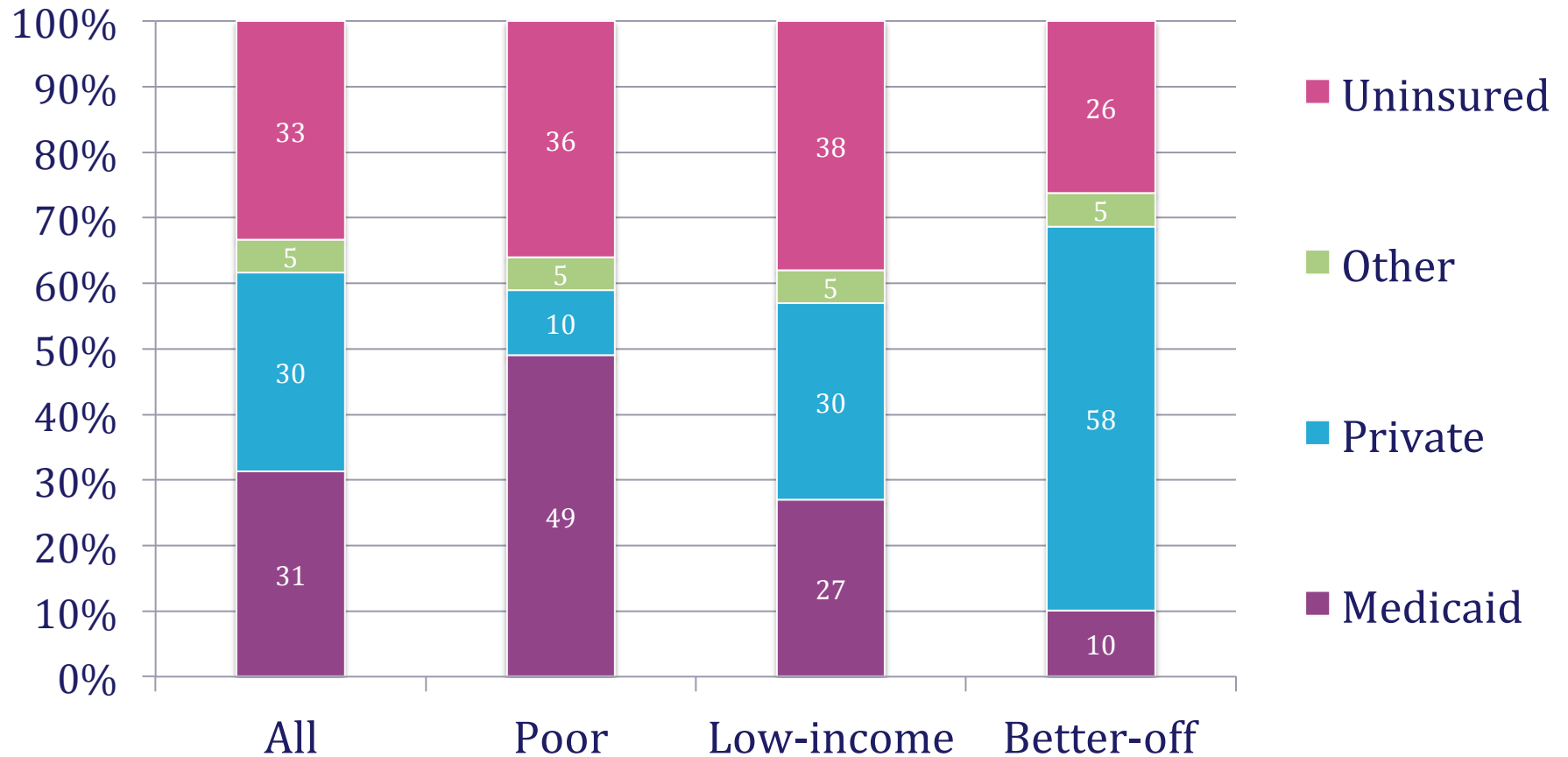
## How much does an abortion cost?

Abortion Type	Median (Mean) Cost 2009, U.S.\$
1 <sup>st</sup> trimester, aspiration	490 (506)
1 <sup>st</sup> trimester, medication	440 (461)
1 <sup>st</sup> trimester, unspecified	450 (473)
14-19 week abortion	750 (860)
> 20 week abortion	1,750 (1,874)

# Method of Payment for Abortion, by Percentage of Abortion Patients, 2008



# Distribution of Abortion Patients, by Health Insurance Type, According to Poverty Status





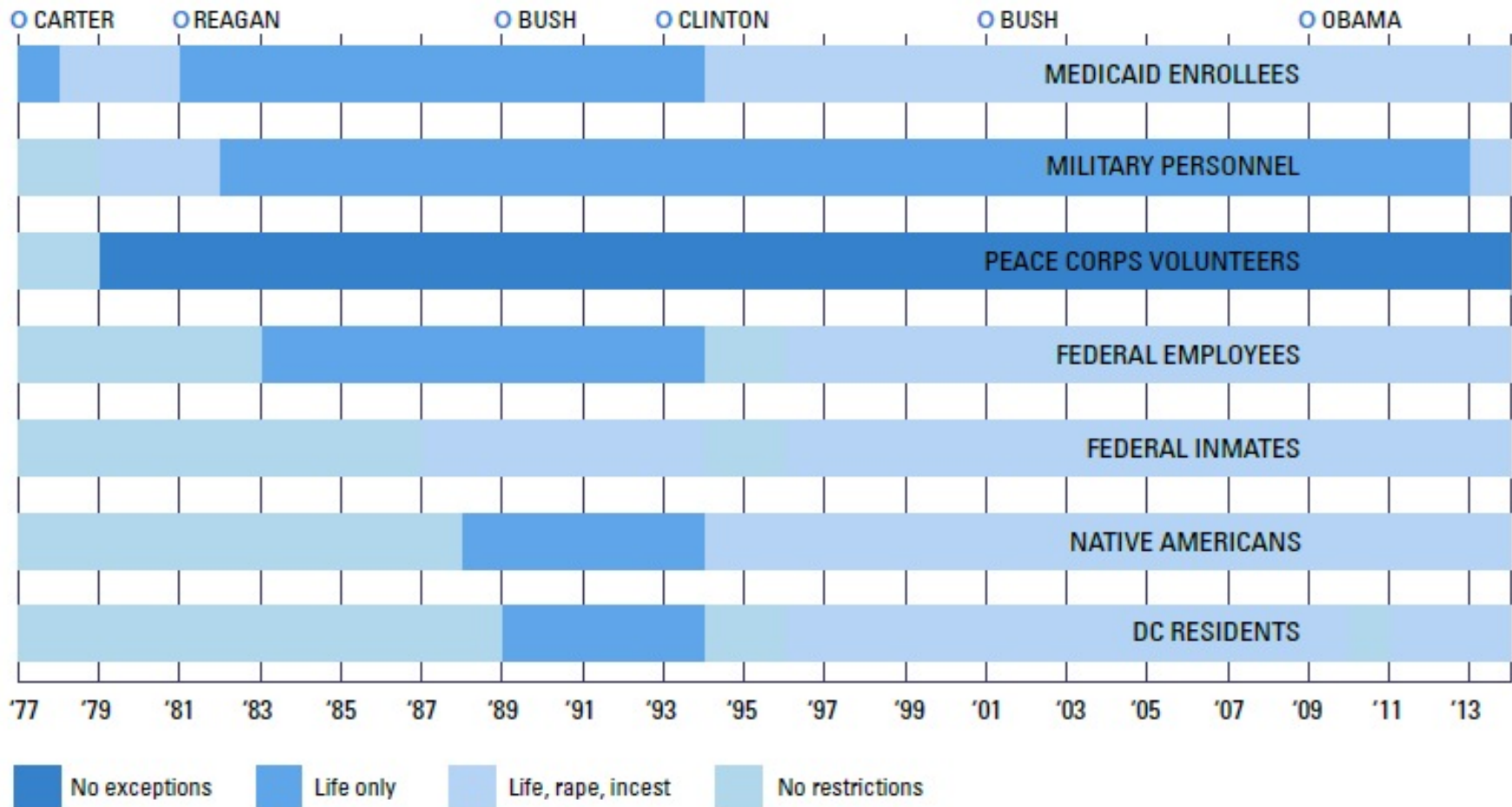
Most women have insurance, but do not use it to pay for abortion services.

	U.S. women	Abortion patients	Used for abortion
<b>Health insurance</b>	65%	30%	12%
<b>Medicaid</b>	13%	31%	20%
<b>Uninsured</b>	19%	33%	
<b>Out-of-pocket</b>			57%
<b>Financial assistance</b>			13%
<b>Other</b>	3%	5%	2%

# Abortion Services and Insured Women

- Abortion usually covered like other surgical services
  - Subject to deductibles and copayments
  - Usually in-network providers, but second trimester procedures may be contracted
- Employers can choose to exclude abortion as a benefit
  - Federal government
  - Religiously-affiliated employers
- Use of insurance for abortion is decreasing:
  - 25% in 2003
  - 12% in 2008

# Federal Restrictions on Abortion Funding



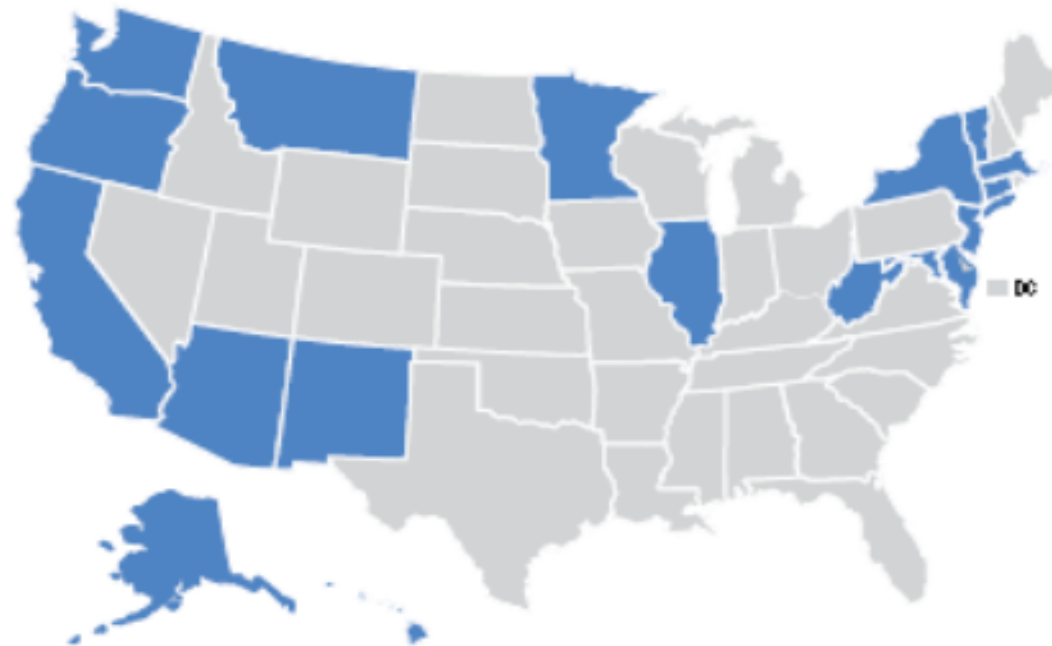
# Barriers to Coverage of Abortion for Insured Women

- Uncertainty about coverage
- Privacy concerns
  - Adolescents covered under parent's plan
  - Concern that employer could learn of abortion
  - Women covered under spouse's plan
- Some abortion providers do not bill insurance or are not contracted with insurance companies
- 1/3 of women live in counties with no abortion providers
- Limited timeframe for abortion procedure
- High deductible for health plan exceeded cost of abortion

# Federal Medicaid Funding of Abortion

- Hyde Amendment (1976): bans federal funding, except in cases of rape, incest or where a woman's life is threatened by "a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself."
- Currently
  - 33 states provide no or minimal coverage
  - 17 states cover all or most abortions
  - 20% all abortions in U.S. paid by Medicaid (2008)

# Public Coverage for Abortion



# Effects of the Hyde Amendment

- Of women with Medicaid in states that do not cover abortion, one in four women who seek an abortion are not able to obtain one
- In North Carolina, 37% of women who would have had an abortion if Medicaid coverage were available carried their pregnancy to term when funding was unavailable

# Effects of the Hyde Amendment

However...

- Most low-income women with Medicaid coverage subject to the Hyde Amendment manage to obtain an abortion, notwithstanding the lack of coverage—a fact that speaks to women’s determination not to bear a child or another child they feel unprepared to care for



# At What Cost: Payment for Abortion Care by U.S. Women

## Study methods

- 757 women invited to complete survey; 651 did
- May and July, 2011, in six sites across U.S.
- Age 15 or older; spoke English or Spanish
- Asked about insurance coverage and whether they were using it to pay for some or all of abortion cost

# At What Cost: Payment for Abortion Care by U.S. Women

	Study sample	National sample
Medicaid	34%	31%
Private or other	31%	35%
None	36%	33%

Health insurance coverage (n=618)

# At What Cost: Payment for Abortion Care by U.S. Women

## Findings

- 36% of the sample lacked health insurance, but two-thirds (69%) paid out of pocket for abortion care
- Reason for not using private insurance
  - It did not cover the procedure (46%)
  - Unsure if it was covered (29%)
- Women were twice as likely to pay using Medicaid (16% of abortions) than private health insurance (7%)

# Reasons Women with Insurance Were Not Using it to Pay for Abortion Care

	Total	Medicaid	Non-Medicaid
Insurance doesn't pay for abortion	46.2	41.3	48.4
Not sure if my insurance covers abortion	29.0	37.0	26.2
I don't want to use my insurance	11.8	8.7	13.1
Clinic doesn't accept	10.1	8.7	10.7
Someone else is paying	2.4	2.2	2.5
Total <i>n</i>	<b>168</b>	<b>46</b>	<b>122</b>

## Abortion Patients Who Obtained Financial Assistance Paying for Abortion and Source of Assistance, by Use of Insurance

	Total	Used insurance for abortion		
		Yes	No	Don't know
<b>Did anyone help you pay for abortion?</b>				
Yes	50.2	29.1	58.6	40.4
No	45.4	63.8	38.8	48.1
Don't know	4.4	7.1	2.6	11.5
Total <i>n</i>	613	141	420	52
<b>Who helped pay (among those who received any assistance)?</b>				
Man involved in the pregnancy	60.1	38.8	64.8	54.5
Discount/reduced price	19.7	6.1	23.6	4.5
Abortion fund	19.6	4.1	22.8	18.2
Family member	20.2	12.2	21.2	27.3
Friend	6.9	0	8.2	4.5
Total <i>n</i>	330	49	259	22

# At What Cost: Payment for Abortion Care by U.S. Women

Most women incurred ancillary expenses

- 2/3 covered transportation cost (mean, \$44)
- 1/4 reported lost wages (mean, \$198)
- 1/10 had childcare expenses (mean, \$57)
- Travel-related costs (mean, \$140)
- Substantial minorities of women surveyed also delayed or did not pay bills such as rent (14%), food (16%), or utilities and other bills (30%) to pay for the abortion

# Out-of-Pocket Costs and Insurance Coverage for Abortion in the U.S.

- 71% received financial assistance
  - 34% Medicaid
  - 29% Private organizations
  - 7% Private insurance
- Those receiving some financial assistance, by type
  - 44% Medical abortion
  - 67% 14-19 weeks second trimester abortion
  - 85%  $\geq$  20 week second trimester abortion

# Concluding Remarks

- The purpose of health insurance is to ensure that individuals can afford unexpected medical bills in the case of an unplanned event. Unintended pregnancy—or a much-wanted pregnancy that goes horribly wrong—is the very definition of an unplanned event.



# Concluding Remarks

- Restrictions on insurance coverage of abortion fall hardest on poor women
- Poor women are five times as likely to have an unintended pregnancy, five times as likely to have an abortion and six times as likely to have an unplanned birth
- Lack of Medicaid coverage and the need for out-of-pocket payment is a significant economic burden for poor women

# Conclusion

- 2/3 of women having abortions have health insurance, but this insurance only covers 1/3 of the cost of abortion (20% Medicaid, 12% private)
- The “cost barrier” results in some women not receiving an abortion or delaying the procedure
- Women most likely to request abortion are the least likely to afford it in most states
- Lack of insurance coverage of abortion services is not likely to be alleviated, and may be exacerbated, under the Affordable Care Act