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

- Uninsured: 19%
- Medicaid: 13%
- Employer Based/Private: 65%
- Other Government: 3%

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?

<table>
<thead>
<tr>
<th>Abortion Type</th>
<th>Median (Mean) Cost 2009, U.S.$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; trimester, aspiration</td>
<td>490 (506)</td>
</tr>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; trimester, medication</td>
<td>440 (461)</td>
</tr>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; trimester, unspecified</td>
<td>450 (473)</td>
</tr>
<tr>
<td>14-19 week abortion</td>
<td>750 (860)</td>
</tr>
<tr>
<td>&gt; 20 week abortion</td>
<td>1,750 (1,874)</td>
</tr>
</tbody>
</table>

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

- Out-of-pocket: 59%
- Medicaid: 20%
- Financial assistance: 13%
- Private health insurance: 12%
- Other: 2%
Distribution of Abortion Patients, by Health Insurance Type, According to Poverty Status

<table>
<thead>
<tr>
<th></th>
<th>All</th>
<th>Poor</th>
<th>Low-income</th>
<th>Better-off</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uninsured</td>
<td>33%</td>
<td>36%</td>
<td>38%</td>
<td>26%</td>
</tr>
<tr>
<td>Medicaid</td>
<td>31%</td>
<td>49%</td>
<td>27%</td>
<td>10%</td>
</tr>
<tr>
<td>Private</td>
<td>30%</td>
<td>10%</td>
<td>30%</td>
<td>58%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
</tr>
</tbody>
</table>

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

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

Henshaw, 2009; Cook, 1999.
Effects of the Hyde Amendment

However...

- Most low-income women with Medicaid coverage subject to the Hyde Amendment manage to obtain an abortion, not withstanding 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

Jones RK, Upadhay UD, Weitz TA. Women’s Health Issues 2013; 23(3):e173-178
At What Cost: Payment for Abortion Care by U.S. Women

<table>
<thead>
<tr>
<th></th>
<th>Study sample</th>
<th>National sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicaid</td>
<td>34%</td>
<td>31%</td>
</tr>
<tr>
<td>Private or other</td>
<td>31%</td>
<td>35%</td>
</tr>
<tr>
<td>None</td>
<td>36%</td>
<td>33%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Reason</th>
<th>Total</th>
<th>Medicaid</th>
<th>Non-Medicaid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance doesn’t pay for abortion</td>
<td>46.2</td>
<td>41.3</td>
<td>48.4</td>
</tr>
<tr>
<td>Not sure if my insurance covers abortion</td>
<td>29.0</td>
<td>37.0</td>
<td>26.2</td>
</tr>
<tr>
<td>I don’t want to use my insurance</td>
<td>11.8</td>
<td>8.7</td>
<td>13.1</td>
</tr>
<tr>
<td>Clinic doesn’t accept</td>
<td>10.1</td>
<td>8.7</td>
<td>10.7</td>
</tr>
<tr>
<td>Someone else is paying</td>
<td>2.4</td>
<td>2.2</td>
<td>2.5</td>
</tr>
<tr>
<td>Total n</td>
<td>168</td>
<td>46</td>
<td>122</td>
</tr>
</tbody>
</table>
## Abortion Patients Who Obtained Financial Assistance

Paying for Abortion and Source of Assistance, by Use of Insurance

<table>
<thead>
<tr>
<th>Did anyone help you pay for abortion?</th>
<th>Total</th>
<th>Used insurance for abortion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>50.2</td>
<td>29.1</td>
</tr>
<tr>
<td>No</td>
<td>45.4</td>
<td>63.8</td>
</tr>
<tr>
<td>Don’t know</td>
<td>4.4</td>
<td>7.1</td>
</tr>
<tr>
<td>Total n</td>
<td>613</td>
<td>141</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Who helped pay (among those who received any assistance)?</th>
<th>Total</th>
<th>Used insurance for abortion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Man involved in the pregnancy</td>
<td>60.1</td>
<td>38.8</td>
</tr>
<tr>
<td>Discount/reduced price</td>
<td>19.7</td>
<td>6.1</td>
</tr>
<tr>
<td>Abortion fund</td>
<td>19.6</td>
<td>4.1</td>
</tr>
<tr>
<td>Family member</td>
<td>20.2</td>
<td>12.2</td>
</tr>
<tr>
<td>Friend</td>
<td>6.9</td>
<td>0</td>
</tr>
<tr>
<td>Total n</td>
<td>330</td>
<td>49</td>
</tr>
</tbody>
</table>
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% > 20 week second trimester abortion

Roberts SCM, et al. Women’s Health Issues 24-2 (2014) e211–e218
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