

The Economic Costs of Abortion Restrictions

By: Azrin Rahman, Stanback Fellow



Access to sexual and reproductive healthcare services, including abortion, is critical for the health and well-being of people everywhere. In addition to underpinning people's health and rights, there is a growing body of evidence that demonstrates the importance of such access in economic terms. The advancement of sexual and reproductive health and rights has helped people overcome barriers to earning better wages and has granted greater access to participation in the workforce. However, abortion restrictions enacted at the state-level threaten decades of progress made regarding the well-being of many individuals and families in the United States.

Decades after the U.S. Supreme Court established the constitutional right to abortion in its 1973 landmark decision in *Roe v. Wade*, people in the U.S. are still struggling to access abortion care. For many, abortion is a right in name only, as meaningful access to abortion has never really been a reality for many groups in the U.S., specifically Black, Indigenous, and people of color (BIPOC) folks, low-income people, and young individuals. Last year was one of the harshest years with regard to abortion restrictions, with the highest number of enacted restrictions since *Roe*.¹ In fact, *Roe* could be considered overturned already as it is now effectively meaningless for one out of 10 women of reproductive age.^{2*} Abortion restrictions are costly to the individual and family unit. One recent study found that abortion restrictions reduce women's labor force participation and earnings and increase turnover and time off from work among women ages 15 to 44 years.³

This brief aims to demonstrate how restricting access to abortion for those seeking it is counterproductive to achieving gender equality and equal access to workforce participation. Instead of enacting restrictions against

abortion, the U.S. should focus on moving beyond the baseline protections established by *Roe* and expand abortion rights and access for everyone.

Chipping Away at Abortion Access

For decades, anti-abortion policymakers have been working to restrict access to abortion care.⁴ In fact, over **1,300 restrictions on abortion** have been enacted at the state-level since the Supreme Court's ruling in *Roe*.⁵ These barriers are multi-faceted and work in tandem to prevent access to abortion. From gestational age bans, to medically unnecessary requirements like mandatory waiting periods and ultrasounds, to targeted regulation of abortion providers (TRAP) laws, multiple legal barriers obstruct abortion access for people across the country. These abortion restrictions contribute to the closure of abortion clinics and create delays in accessing care, which, in turn, increase associated costs — a major setback for those already struggling to afford services.^{6,7,8} Moreover, these restrictions disproportionately harm BIPOC folks, those with low incomes, and individuals living in rural areas of the country.⁹

* Population Institute (PI) is intentionally using women in statements where the data do not include the nonbinary people or trans men in the research. Otherwise, PI uses gender-inclusive language to represent all individuals who may seek abortion services.

A DIRECT CHALLENGE TO ROE

Dobbs v. Jackson Women's Health Organization represents a direct challenge to the Supreme Court's landmark decision in *Roe* and nearly 50 years of precedent. At the heart of the case is a Mississippi ban that would make abortions illegal starting at 15 weeks of pregnancy, with narrow exceptions for medical emergencies or severe fetal abnormalities. The high court will address if states can ban at least some abortions before fetal viability. The Supreme Court heard oral arguments in December 2021 and a decision regarding the sanctity of the viability standard can be expected in 2022. If the six-to-three conservative majority bench determines that it is no longer upheld, it may be possible for states to implement abortion bans much earlier in pregnancy or even attempt to ban the procedure outright.



Clinic Closures and Fewer Providers

As states enact more restrictions on abortion, providers and clinics are being forced to close their doors. Since 2010, 160 abortion clinics have closed due to the costs associated with TRAP laws.¹⁰ Approximately one in five patients in the U.S. has to travel at least 43 miles to access the nearest abortion clinic.¹¹ With the restrictive SB 8 law currently in effect in Texas, that distance is upwards of 250 miles one way for some.¹² Transportation costs, travel duration, time off work, and arrangement of childcare create insurmountable barriers for many individuals seeking abortion services.

The Cost of an Abortion

The financial burden of continuing a pregnancy and raising a child are the most common reasons cited by patients seeking abortions.¹⁵ They are also among the significant reasons why people are not able to obtain one.¹⁶ Abortion costs vary significantly with pregnancy stage, with out-of-pocket costs ranging from \$375 in the first trimester to \$6,530 at 22 weeks.¹⁷ With 75 percent of abortion patients in 2014 classified as poor (living with an income either at or below the federal poverty level) or low-income (one to two times the federal poverty level for families of two), the unexpected cost of a medical procedure could be a significant barrier to accessing abortion services. For some, an abortion could be worth around 40 percent of their family's yearly income.¹⁸ When asked how they would pay for a \$400 emergency, 47 percent of Americans say either that they would cover it by borrowing or selling something, or that they would not be able to come up with the money.¹⁹ In addition to the cost of the abortion itself, the total adds up in childcare, gas, counseling, missed work, and overnight observation costs.²⁰

TEXAS SENATE BILL 8

The Texas legislature passed a gestational age ban that prohibits abortion as early as six weeks into pregnancy with no exceptions in cases of rape or incest. The law, known as SB 8, also creates a bounty system where citizens enforce the law by suing anyone who "aids and abets" someone in seeking an abortion. The Supreme Court denied an emergency request to block the law from going into effect; therefore, on September 1, 2021, abortions as early as the sixth week of pregnancy became illegal in Texas. The Biden administration and Texas abortion providers filed lawsuits seeking a permanent injunction from the Supreme Court — a final order from the high court that the law must be halted.¹³ On December 10, 2021, the Supreme Court declined for a second time to put the law on hold; however, it did clear a narrow path for providers to try to sue a small subset of Texas licensing officials to try to block enforcement through the lower federal courts.¹⁴

ACCESS DENIED: THE HYDE AMENDMENT

The Hyde Amendment plays a key role in the cost barrier to abortion and disproportionately impacts BIPOC folks and low-income individuals. The amendment, passed in the wake of *Roe* in 1976, prohibits federal funds from being used to pay for abortion services, except in rare cases of rape or incest, or when continuing the pregnancy will endanger the patient's life. This significantly limits coverage of abortion for those who get their health insurance from government programs like Medicaid — the public insurance program that provides health coverage to low-

income families and individuals. Consequently, this means that Medicaid beneficiaries must pay out-of-pocket to receive abortion care, unless states elect to extend Medicaid to cover abortion. Currently, only 16 out of 50 states have extended Medicaid coverage to pay for all or most medically necessary abortions.²¹ The Biden administration's exclusion of the Hyde Amendment in the recent budget proposal is a step in the right direction but still awaits approval from Congress.²²

A Disproportionate Harm

Abortion restrictions disproportionately harm systemically marginalized individuals, contributing to a cycle of poverty that prevents economic success. Structural social inequalities contribute to that fact that women of color and women of lower socioeconomic status (SES) have higher rates of abortion than their white counterparts and women of higher SES;²³ consequently, they are disproportionately affected by abortion restrictions. The majority of abortion patients identify as Black, Hispanic, Asian, or Pacific Islander, and 75 percent of those seeking abortion are living at or below 200 percent of the federal poverty level.²⁴ Moreover, due to structural racism and systemic social and economic inequalities, BIPOC women are disproportionately represented among women living in poverty and are more likely to be insured by Medicaid compared to their white counterparts.²⁵ Research indicates that 30 percent of Black women and 24 percent of Hispanic women of reproductive age are enrolled in Medicaid, compared to 14 percent of white women.²⁶ The Hyde Amendment, a federal-level policy that prohibits the use of federal funds — including Medicaid dollars — for abortions with few exceptions, requires individuals who are already struggling financially to pay for an abortion out-of-pocket. In an effort to pay abortion-related costs, many delay or forgo rent payments, utility bills, or purchasing food.²⁷ In some cases, lower-SES patients experience delays in obtaining an abortion or are forced to carry their pregnancy to term because of the struggle to procure necessary funds for the procedure.²⁸ Furthermore, the services become more expensive as time passes.

Abortion restrictions also disproportionately impact individuals living in rural areas of the country. Clinic closures and lack of abortion providers force individuals to travel

further distances, which requires more time and money. This can even involve crossing state lines.²⁹ As rural patients are already paid less on average, this unexpected cost and sometimes multi-day procedures due to TRAP laws can make accessing abortion services nearly impossible.^{30,31}

The Financial Impact of Abortion Restrictions

Patients denied abortions must endure the financial costs of continuing a pregnancy, raising a child (often an additional child), and increased risk of financial insecurity.³² These effects can hurt existing families and future generations, creating poverty traps especially for systematically marginalized communities.

Financial Well-Being

The economic costs to those affected by abortion restrictions is particularly detrimental. Patients restricted from accessing abortion are more likely to experience greater economic struggles than their counterparts who received abortion care.³³ The Turnaway Study, a 10-year study on the consequences of having or being denied an abortion, found that being denied abortion care increases the amount of debt 30 days or more past due by 78 percent and increases negative public records, such as bankruptcy, eviction, or tax liens, by 81 percent.³⁴ Since those seeking abortion care are already more likely to be of a lower SES, negative economic shocks caused by being denied this necessary healthcare are often felt at a greater magnitude.³⁵

Family Well-Being

A majority of people who seek abortion have had at least one previous birth.³⁶ Additionally, few women (9 percent) will choose to place a child up for adoption if they cannot get an abortion.³⁷ Seventy-two percent of children with mothers who were denied access to abortion live under the poverty line, compared to the 55 percent of children whose mothers were able to access the care they sought.³⁸ Similarly, 87 percent of children whose mothers were denied access to abortion live in a home without enough money to cover basic living needs.³⁹ Denying people access to abortion care has the potential to worsen their existing family's economic well-being.

Equal Access to Workforce Participation and Economic Equality

One critical factor in achieving workplace equality is ensuring access to the full range of reproductive health care, including contraception and abortion. Gender and economic equality in the labor force cannot be achieved if reproductive rights are restricted. A phenomenon called the “Family Gap” explains how women’s wages decline more with each additional child, contrary to men’s wages.⁴⁰ Having just one child causes a drastic drop in women’s current earnings and their projected long-term earnings, which is an incredible burden for mothers who are forced to carry a pregnancy to term due to abortion restrictions. Women turned away from having an abortion likely care for more children, without additional income, and are more likely to remain single without help from partners, which causes a number of financial burdens.⁴¹

Systemic gender and economic inequality combined make it exponentially harder for women, especially BIPOC women, to achieve the same financial stability that men often do with children, making abortion rights a matter of gender and economic equality. If abortion restrictions were completely lifted, the U.S. would see a 9.92 percent increase in private sector earnings for Black women and a 9.12 percent overall increase in private sector earnings for all women.⁴²

WITHOUT ABORTION RESTRICTIONS, WOMEN IN THE U.S. WOULD SEE GREATER ECONOMIC EQUALITY:⁴³

An additional **505,000 women** aged 15-44 would enter the labor force and earn three billion dollars annually

Currently employed women aged 15-44 would gain **\$101.8 billion** in increased earnings annually

The income of individual women aged 15-44 would be **\$1,610 higher**



Real Solutions

Roe is not and has never been enough to ensure that everyone has access to abortion who needs it. Protecting and expanding upon the legal right to abortion established by *Roe* is vital, especially now with challenges to the case brought before the Supreme Court. While the Supreme Court is now in the process of making its decision with regards to the fate of *Roe*, Congress can play a role in codifying abortion rights.

Congress can pass the Equal Access to Abortion Coverage in Health Insurance Act (EACH Act)

To address the issue of abortion access, abortion rights should be codified with insurance coverage so that people are able to exercise their right to abortion without financial restrictions that stem from the denial of abortion insurance coverage. *The Equal Access to Abortion Coverage in Health Insurance Act (EACH Act)* would require coverage for abortion care with Medicaid and for federal employees’ insurance, effectively putting an end to the Hyde Amendment. Additionally, the EACH Act would require federally supported healthcare facilities to provide abortion care for eligible individuals and prevent the federal government from restricting abortion service coverage in any insurance plan.⁴⁴

Congress can pass the Women’s Health Protection Act (WHPA)

The *Women’s Health Protection Act (WHPA)* is a piece of federal legislation that would ensure that the right to abortion is free from medically unnecessary restrictions and bans, and abortion care is a reality for all people in the U.S., no matter where they live. WHPA would create a statutory right for health care providers to provide abortion care, and a corresponding right for patients to receive abortion care.⁴⁵ Most importantly, should the Supreme Court overturn *Roe*, WHPA would protect abortion rights in its stead. It is still crucial that Congress passes WHPA even under *Roe* to ensure abortion rights are protected from the numerous anti-abortion restrictions at the state level.

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