



## The Economic Benefits of Birth Control and Access to Family Planning

Updated February, 2020

Until the 1965 Supreme Court decision in *Griswold v. Connecticut*, access to birth control was **heavily restricted or banned**—even for married couples—in many states. It wasn't until 1972 that birth control became **legal for all women** in the United States regardless of marital status.<sup>1</sup>

The expansion in access to reliable birth control in the second half of the 20<sup>th</sup> century greatly improved the economic status of women. By enabling women to better determine when or if they have children, oral contraceptives and other methods of reliable birth control have advanced women's economic empowerment and improved health outcomes for mothers and their children. The benefits of family planning underscore the importance of ensuring that Americans have access to affordable, reliable birth control methods.

### Fewer Unwanted Pregnancies

*The rate of unplanned pregnancies has dropped precipitously in the last 40 years.*

- In 2011, the unplanned pregnancy rate was **45 per 1,000 pregnancies**, the lowest rate since at least 1981 when the rate was **nearly 60**.<sup>2</sup> Between 2008 and 2011 alone the rate **dropped 18%**.<sup>3</sup> Studies suggest the decline is likely due to an overall increase in contraceptive use and effectiveness of contraceptive methods.
- The rate of teenage pregnancy in the United States dropped from almost **118 pregnancies per 1,000** women aged 15-19 in 1990 to a record low **19 per 1,000** in 2017.<sup>4</sup> Much of the recent decline is **attributable** to the rapid expansion of available contraceptive methods that occurred since 1990.<sup>5</sup>
- A 2010 study found that publicly funded contraceptive care resulted in a reduction of approximately **one million unplanned births** in that year.<sup>6</sup> Researchers estimate that over 150,000 would have been premature, low birth weight or both, while 300,000 would have been closely spaced, which studies have linked to **increased risks of maternal** and **infant mortality** and other adverse outcomes.<sup>7</sup>

### Expanded Educational Opportunities

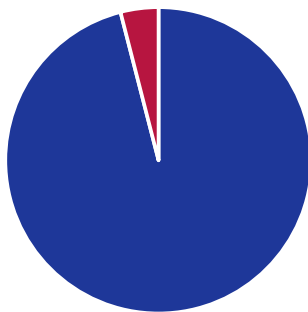
*Control over the timing of childbearing gives women more choices to pursue higher education and professional careers.*

- In 1970, just five years after birth control was made legal for married couples, some states had reduced the age of access to birth control from 21 to 18 while other states did

not. Research suggests that access to birth control at an earlier age improves economic outcomes for women, such as increases in educational attainment and labor force participation. One study found that college enrollment was **20 percent higher** for women who had legal access to birth control than for those who did not.<sup>8</sup> Women with earlier birth control access were also less likely to leave school before earning their degree.

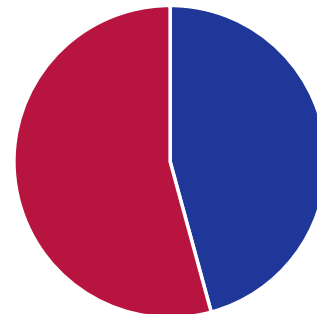
- The number of women pursuing professional education spiked after the landmark Supreme Court cases that made birth control legal and accessible. Women made up **less than five percent** of first-year law and business school classes in the 1960s, and the share **increased more than ten times** to around 57 percent and 39 percent by 1980 for law and business respectively. In medical schools, the share **roughly tripled** during that period, from 10 percent to 42 percent.<sup>9</sup>
- Today, women make up more than half of both **law school** and **medical school students**, while business schools fall **short of 40%**.<sup>10</sup> For example, when Justice Ruth Bader Ginsburg was a student at Harvard Law School in 1957, she was **one of nine women** in a class of over 500 men. Today, she would be in the company of nearly 300 women.<sup>11</sup>

4% of first-year law students were women in 1963-64



Source: ABA Law School Data

54% of first-year law students were women in 2019-20



Source: ABA Law School Data

## Higher Income

*Women with early access to birth control experience higher lifetime earnings.*

- Researchers point to the resurgence of the women's movement, the Civil Rights Act of 1964 and the availability of oral contraceptives, the **most used** method of contraception, as the main causal roots for the narrowing of the gender pay gap.<sup>12</sup> According to one study, access to birth control pills is responsible for **roughly one-third** of the total wage gains women have made since the 1960s.<sup>13</sup>

- Increased access to oral contraceptives can even increase women’s earnings after their reproductive years. One study estimates that since birth control became available in the 1960s, access to birth control pills at a younger age “**conferred an 8 percent** hourly wage premium by age 50.”<sup>14</sup>
- Increased access to birth control can also reduce female poverty. One study found that “having legal access to the birth control pill by age 20 **significantly reduces** the probability that a woman is subsequently in poverty.”<sup>15</sup>
- Another study found that “legal access to the pill before age 21 **significantly reduced** the likelihood of a first birth before age 22, increased the number of women in the paid labor force, and raised the number of annual hours worked.”<sup>16</sup>

## Better Outcomes for Children

*Contraception is linked to improved maternal and child health outcomes by enabling women to plan, delay and space pregnancies.*

- Family planning programs reduce the likelihood of children living in poverty, the share of children living in households receiving welfare payments and the share of children living in single-parent households. Research shows that increased access to federally-funded family planning programs is associated with **large reductions** in child poverty rates and in later poverty rates in adulthood.<sup>17</sup>
- The children of women who have access to family planning are more likely to have **higher educational attainment**.<sup>18</sup> Given the well-known links between higher educational attainment and higher wages, these children also appear to have higher lifetime incomes.

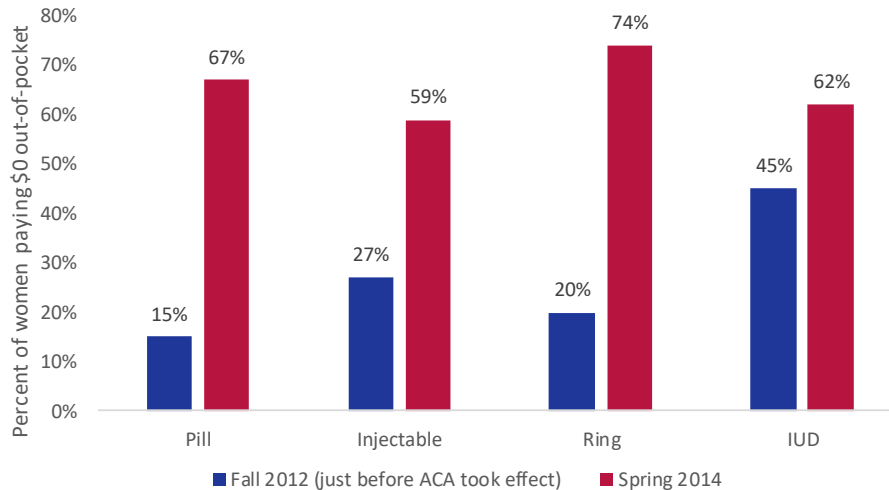
## Private and Public Cost Savings

*Removing barriers to contraception helps alleviate the costs of contraceptives, which are disproportionately borne by women, and preventing unplanned pregnancies saves taxpayer dollars.*

- The year after the Affordable Care Act (ACA) went into effect in 2012, **women saved \$483 million** on birth control pills due to the provision ensuring zero out-of-pocket costs for contraceptives.<sup>19</sup>
- For the **60% the 61 million** U.S. women of reproductive age use a contraceptive method. For women using contraceptives, average annual savings were **\$248** for the intrauterine device and **\$255** for the oral contraceptive pill in 2013.<sup>20</sup>
- A 2014 study found that preventing unplanned pregnancies and their associated costs comprised the biggest share of government cost savings: **\$15.2 billion** saved on Medicaid-covered maternity and infant care and on publicly funded medical care for

children aged 13 to 60 months; **\$409 million** saved on Medicaid-covered care for miscarriages; **\$44 million** saved for abortion care.<sup>21</sup>

### Privately insured women are increasingly paying \$0 out-of-pocket for contraception since the ACA



Source: Sonfield, A., Tapales, A., Jones, R. K., & Finer, L. B. (2015). Impact of the federal contraceptive coverage guarantee on out-of-pocket payments for contraceptives: 2014 update. *Contraception*, 91(1), 44-48.

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<sup>2</sup> Finer, L. B., & Zolna, M. R. (2014). Shifts in intended and unintended pregnancies in the United States, 2001–2008. *American journal of public health*, 104(S1), S43-S48. Retrieved from <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4011100/>;

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<sup>3</sup> Ibid.

<sup>4</sup> Kost, K., Maddow-Zimet, I., & Arpaia, A. (2017). Pregnancies, births and abortions among adolescents and young women in the United States, 2013: national and state trends by age, race and ethnicity. Retrieved from <https://www.guttmacher.org/report/us-adolescent-pregnancy-trends-2013>;

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<sup>7</sup> Grundy, E., & Kravdal, Ø. (2014). Do short birth intervals have long-term implications for parental health? Results from analyses of complete cohort Norwegian register data. *J Epidemiol Community Health*, 68(10), 958-964. Retrieved from <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4174138/>;

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