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Teen Childbearing in Indiana Costs Taxpayers \$247 Million Annually

Teen childbearing in Indiana cost taxpayers at least \$247 million in 2008, according to an updated analysis from The National Campaign to Prevent Teen and Unplanned Pregnancy. Of these costs, 36% were federal costs and 64% were state and local costs. For the nation overall, teen childbearing costs taxpayers \$10.9 billion.

Most of the public sector costs of teen childbearing are associated with negative consequences for the children of teen mothers, during both their childhood and their young adult years. Annual taxpayer costs associated with children born to teen mothers include public health care (Medicaid and CHIP), child welfare, and, among those children who have reached adolescence and young adulthood, increased rates of incarceration, and lost tax revenue due to decreased earnings and spending.

Between 1991 and 2008 there have been 196,245 teen births in Indiana, costing taxpayers a total of \$5.6 billion. These public sector costs would have been higher had it not been for the substantial declines in teen childbearing over that same period. Indiana has seen a 28% decline in the teen birth rate between 1991 and 2008. The impressive strides made in reducing teen childbearing in Indiana saved taxpayers an estimated \$155 million in 2008 alone, compared to what they would have paid if rates had not fallen.

The new state data is an update of 2004 research conducted by Saul Hoffman, Ph.D. of the University of Delaware and released by The National Campaign. The new analysis provides a conservative estimate of the costs of teen childbearing and is based on the increased risk of adverse consequences faced by teen mothers, fathers, and their children as compared to mothers having children in their early twenties, controlling for many other factors.

“Reducing teen pregnancy not only improves the well-being of children, youth, and families, it saves taxpayer dollars,” said Sarah Brown, CEO of The National Campaign to Prevent Teen and Unplanned Pregnancy. “At a time when policymakers and others are intensely focused on cost-saving measures, funding proven efforts to reduce teen pregnancy is important, timely, and should be a high priority.”

Visit www.TheNationalCampaign.org/costs for more information. This analysis was funded in part by grant IU58DP002916-01 from the Division of Reproductive Health (DRH) within the Centers for Disease Control and Prevention. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of DRH

Founded in 1996, The National Campaign is a private, nonprofit organization that seeks to improve the well-being of children, youth, and families by reducing teen and unplanned pregnancy.