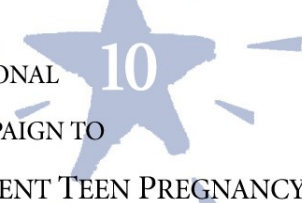


By The Numbers: The Public Costs of Teen Pregnancy

Conference Call Transcript (Verbatim)
October 27, 2006



THE
NATIONAL
CAMPAIGN TO
PREVENT TEEN PREGNANCY

CELEBRATING A DECADE OF PROGRESS
IN IMPROVING THE LIVES OF CHILDREN,
YOUTH AND FAMILIES

OPERATOR: This is a recording of the “By The Numbers: The Public Costs of Teen Pregnancy” teleconference with the National Campaign to Prevent Teen Pregnancy scheduled for Friday, October 27, 2006, 1:00 p.m. Eastern time. (Inaudible) we will open the floor for questions. At that time instructions will be given if you would like to ask a question.

I would now like to turn the conference over to Ms. Andrea Kane. Ma’am, please begin.

ANDREA KANE: Thank you. Well welcome everybody and thank you so much for joining today’s conference call on the national and state cost of teen childbearing. We’re very excited by the enthusiastic response to today’s call. We believe that we have over 130 people registered for the call from 42 states and the District of Columbia, which is tremendous. We are very excited about this new research and we think the response on the call probably indicates that you’re pretty excited about it too. We hope that it will be very useful (inaudible) your state data to help you understand what’s behind these numbers and to give you an opportunity to ask whatever questions you may have because this is pretty complicated information. We hope that this will equip you to answer questions you might get from the press and others and encourage

you to use the data to help support and reinforce efforts that you're making every day to prevent teen pregnancy.

Before going any further I want to acknowledge the tremendous work done by Dr. Saul Hoffman, who is the author of the report we'll be talking about. He is the Chairman of the Economics Department at the University of Delaware. He also played a key role in developing the state-specific numbers working in conjunction with those of us here at the Campaign. I also want to recognize a number of my colleagues too numerous to mention, including Katy Suellentrop who you'll hear from shortly. Many people here at the Campaign have worked very hard over the past few months to bring this project to where it is today. It has truly been a team effort.

We've also had valuable input on this project from a number of states and I just want to mention a couple. In particular we worked with two pilot states, Delaware and Texas on the methodology and the presentation of the data. We also received very helpful feedback from our State and Local Action Task Force and our partners in our CDC grant and the early rollout that we'll be talking about in a few minutes that we did in Arizona with Patty Jo Angelini which should be a very valuable learning experience as well. So we're really grateful to all of those states who helped make this a stronger product.

I would also be remiss if I didn't thank our funders, the WT Grant Foundation for their generous support for this research, and Pfizer for their support for the dissemination phase of the work.

So here's what we're going to do today. I'm going to give you a brief overview of the national cost data, our roll out plans and the material that we have available for you on our website. Katy is then going to describe how the national and state numbers were developed and then we're going to turn it over to Patty Jo Angelini, who's the Director of the Arizona Coalition on Adolescent Pregnancy and Parenting. (Inaudible) data in Arizona and if you're wondering why she had it early and you didn't, the reason is that we made a very early

commitment to her last year and if the data would be ready in time for some events she was planning in late September. Well the research proved to be more complex and time consuming than anticipated, but we felt we wanted to honor our commitment to Patty Jo, so we went ahead and released preliminary data in Arizona about a month ago.

After we hear from Patty Jo we'll have plenty of time for your questions and answers and we look forward to those. You already heard that your lines are muted and that after Patty Jo speaks we'll open it up for questions and answers.

And finally, just one important note, a reminder that all this information is embargoed until Monday, October 30th so we appreciate your respecting that.

So just to begin now with an overview of the project, on Monday the National Campaign will release two things, updated figures on the national public sector cost of teen child bearing and the first ever state-by-state analysis of the public sector cost of teen child bearing. The report on the national costs, which is called by the numbers, the public cost of teen child bearing was written by Dr. Saul Hoffman, as I just mentioned. His analysis of states work done by Dr. Rebecca Maynard in *Kids Having Kids*, the landmark study I'm sure of you are familiar with, which came out in 1997.

Now earlier, in the earlier report, Dr. Maynard estimated that the annual cost of taxpayers of child bearing among teens aged 17 and younger was nearly \$7 billion in 1996. Saul has worked closely with Dr. Maynard to update the national cost numbers and actually next year Dr. Maynard will be publishing a new *Kids Having Kids* book which will have similar cost information to what we're releasing, plus a lot of other information.

The "By the Numbers" report that we're releasing, in addition to containing the national cost information, also contains state-by-state tables that are in the appendices, which has key cost information for every single state. In addition we've created a fact sheet and a press release for each state, which I hope that you've had a chance to look at for your state before this call. The state-by-state tables from the report are also available on the website on a

standalone basis in case you want to look at how you compare and we're also developing some other state-by-state tables to just look at how states compare in ways that go beyond what's in the report and those will be on the website in the next few days.

In addition, as you've probably seen, we've created a host of supporting media materials including frequently asked questions, a fact sheet on what policy makers can do with this information and a fact sheet on how you can use the data in your community. Again, all of this information is available to you now on an embargoed basis on the website and will be available as of Monday at a much clearer URL simply www.teenpregnancy.org/costs.

This week we sent the state press releases out to a wide variety of media outlets in your state on an embargo basis and so you may be getting questions from reporters. Some of you may have already gotten questions from reporters and that's part of why we wanted to do this call for you now.

That's enough about process, let's get to the findings. Here are the key national cost headlines. Despite a one-third decline in the teen birthrate since the early 1990s, teen child bearing in the United States cost federal, state and local taxpayers at least \$9.1 billion in 2004. Excuse me; I'm just hearing a little bit of echo. Leslie is there something we can do about that?

OPERATOR: Yes ma'am one minute.

ANDREA KANE: Thank you. Just to repeat that. Teen childbearing in the United States cost taxpayers at least \$9.1 billion in 2004. This figure reflects the cost associated with the birth to a mother 19 and younger, compared to a mother who delayed child bearing until age 20 or 21. It includes the cost related to the teen mother, the father, and the children born to a teen mother. It's worth noting here that the earlier analysis in the '90s only looked at mothers 17 and younger, whereas this new analysis also includes 18 and 19 year olds. However, the costs for the younger teens are much more expensive, much larger than costs for the older teens.

Most of the public sector costs of teen childbearing are associated with negative consequences for the children of the teen mothers and these costs include four main things. First, \$1.9 billion in increased public sector health care costs, primarily Medicaid and SCHIP, \$2.3 billion in increased child welfare costs. That includes foster care, but it also includes costs related to abuse and neglect and adoption. \$2.1 billion for increased costs incarceration for the sons of teen mothers, and the largest component is actually \$2.9 billion in lost tax revenue, due to lower taxes paid by the children of teen mothers over their own careers because they get less education and earn less than children born to mothers who delay their birth. In addition to these single year costs in 2004, the report also looks at the total accumulative public cost of teen child bearing between 1991 and 2004, which total a stunning \$161 billion.

Having focused on the cost for a minute let's talk about savings. The progress that you all have been making has contributed to a one-third decline in the teen birth rate between '91 and 2004. We know that's old news to many of you. We're pleased to report that this yields a substantial cost savings. Specifically at the national level the savings to taxpayers in 2004 alone, due to this one-third decline in the teen birth rate, is \$6.7 billion, again in 2004 alone. So those are the key headlines nationally and now Katy will tell you how these national numbers and the state numbers were developed.

KATY SUELLENTROP: Thank you Andrea. That was the most exciting part of our presentation. Now I'm going to take a few minutes to tell you about the methodology.

As Andrea mentioned at the beginning of the call, the project has two major components and I'm going to give you just a quick overview of how they were both created. Please feel free to ask more in-depth questions at the end of the call and, as Andrea mentioned, it's a very complicated business and it's taken us a little while to wrap our heads around it. So nothing is a silly question to us.

The first component is computing the national cost and it is from these national estimates that we derived our statements in this. The most important point here is understanding exactly what we mean by the cost of a teen birth. The most natural measure, and it might be what you think about when you think about the cost of a teen birth, is the cost of all public services that teen mothers and their children consume. For example, for public health care, the cost of a teen birth might be thought about all health care associated with the child of a teen mother. The same idea would be applied to foster care, welfare, et cetera, the cost of all of these services of the teen mothers or their children consume.

Now these total costs are very large numbers but are not, in fact what we are measuring when we talk about the cost of a teen birth. The costs we measure in our report are much more conservative. They correspond only to the additional or incremental costs associated with a teen birth. So that is the cost, or those are the costs over and above what the costs would have been if she didn't have a birth. We call those the net costs, which are net of the contributing impact of other risk factors.

So we agree with the economists who think that the net cost is the correct measure to use and I'm going to tell you why. It's because it relates directly to this idea of a program intervention that would delay the age of a first birth. So a typical pregnancy prevention program doesn't change everything in a young person's life: the family, the school she attended, her peers, her neighborhood, et cetera. It doesn't typically change those things. It mostly just changes the age at first birth. As a result the total costs that I described first are way too large. They won't all be eliminated by delaying a first birth because some are in fact due to other things, not necessarily the teen child bearing. This analysis attempts to separate only those costs associated with the age of first birth and does not assume that any other background characteristics are changed. So it's a very conservative estimate. You could make the assumption that a teen pregnancy prevention program might change something else about the

teen besides her age at first birth but we are not doing that. We're just looking at what happens if we get her to delay until she's 20½ years old.

So measuring these net costs are much harder than just adding up all the costs that a teen mother and her child might consume because it's not always easy to separate the impact of these multiple risk factors. Many times risk factors are clustered together; however, social scientists are trained to do just that. So the general idea is to compare the outcomes for two groups of young women that have very similar backgrounds but one group happen to have an early birth and one group delayed, or you could call it controlling for risk factors. So we do this with adjustments (inaudible), et cetera.

There are also a couple of approaches, or some approaches that use what is called a natural experiment, which is more of like a controlled experiment. We go into much more depth in the report if you're interested in learning about those. It's important to understand the nature of the cost because sometimes the net impacts that are measured in this way might be quite different than what you would expect. It is always possible that something other than a teen birth accounts for an important part of the poor outcomes for a mother but might not necessarily be her age but it accounts for the amount of public assistance that she receives, or her age at first birth, that accounts for the amount of let's say public health care that she would consume.

There are a couple more important things for interpreting the results. The first is that, as Andrea mentioned, we looked at two different age groups of teen mothers. For the younger teen mom we're measuring the net impact of a four-year delay. So we're delaying from about the age of 16½ to the age of 20½ and this was selected because experts in the field believe that while this is an ambitious goal, it's a feasible goal, and a delay of four years is feasibly long enough to make a difference.

For the older teens we're only measuring the impact of a two-year delay, which explains where some of the difference in the cost associated with the younger teens and the older teens. So for the older teens we're only measuring the net impact of a two-year delay from about the

age of 18½ to about the age of 20½ and also as has been mentioned the original *Kids Having Kids*, so some of the numbers that sort of roll off our tongues normally, the \$7 billion, the \$3,000 per birth, only looked at birth to women 17 and younger and this analysis enlarges that to looking at, to including women who are 18 or 19 at the time of the birth.

So those are the general assumptions, and that's the general idea about how the national costs were estimated. I'd like to turn now to the state cost estimates and the simple and quick way that you could think of to derive the state costs would have just been to apportion a bit of the national cost, so we have this national number \$9.1 billion, to each state, depending on that state's share of the teen birth. For example, using Texas, Texas had 18% of all births to girls aged 17 or younger and about 12% of births to girls aged 18 to 19. So if we would have gone with the simple calculation we would have just apportioned out the \$9.1 billion; we would have said Texas would have had 14% of the cost for teens 17 and younger and 12% of the cost for teens aged 18 to 19.

However, we were worried the states might have objected to this methodology on two grounds. First, you could say that the cost of providing a particular program was higher or lower than a typical state, in my state for example. And second, you could say that state A provided a service to a larger or smaller population than would be expected and we felt that these objections were absolutely correct and we wanted estimates that would be helpful and as accurate as possible, not a subject of controversy. So we decided to collect data on each state on the cost and the service population for a list of public programs including (inaudible), food stamps, (inaudible), Medicaid and SCHIP, child welfare, prisons and tax rates. We also collected information on how much of the costs of each state were paid out of the state budget and how much were paid out of federal matching funds. Then we apportioned the national cost to the state based on three different things. Number one, their share of the birth, so obviously some states have many more (inaudible) numbers of teen births than other states based on their size, their relative cost of providing a particular service, and number three, the relative size

of the served population for that particular service. So if a program costs in a state is the same as the national average and the served population is the same as the national average, then the cost is just proportional to the share of birth. So it's a sort of indexing. So if costs are higher or lower and served populations are higher or lower in particular states, the costs will differ from that proportion and the procedures account, they take into account these differences by state. And you'll also note in the fact sheet that we break the cost down by state spending and federal spending and that is also included in the appendices of the national report.

And one more final important point about the methodology and the numbers is that it's a very complex analysis and it's important to understand that these numbers, as Dr. Hoffman likes to say, are not like the law of gravity or Newton's Law. They're not perfect and no one could ever do estimates like these that are perfect for a variety of the reasons that we already talked about and I'm sure that other researchers could look and we could continue to refine these numbers or change small components. But on the whole, Dr. Hoffman and everyone else that has been involved are comfortable with the numbers and we feel that, like the previous report, *Kids Having Kids*, we did not cherry pick the results that we happen to like or didn't like. But instead we attempted to do very good science and believe that we've reached our goal on that.

So now after putting you to sleep with the methodology I'm going to turn it over to Patty Jo who will describe the much more exciting ways that you can use these cost estimates.

PATRICIA JO ANGELINI: Good morning. First of all I want to thank Andrea and the National Campaign for all their work and it was a real pleasure working with them and they were a valuable asset and I would encourage you to use them as a resource when you put your plan together on how you're going to get this out because it's very helpful.

The first thing that we did was we released this data around an event, and as Andrea said we were having a national conference and so we added a breakfast that morning and we invited key political and community leaders to come to that event. So we did outreach to

foundations, outreach to local officials that we knew were interested in it, as well as inviting all legislators. Also for us the city council we outreached too and our current mayor has a child, an adult child now who was born to a very young teen parent and so he has an interest in teen pregnancy. So I asked him to speak as well as our former mayor of Phoenix who was a teen parent himself and then we have a legislator who is very passionate about this issue who herself was a teen mom. So I brought all of them into this also. The event helped bring some interest from the media and for the event and also the foundation world. And the foundation representatives who could not come to the breakfast, follow-up meetings were arranged with them so they could still receive the information.

So when we had a date I first put it on the AP date book. You may be aware of associated press in your state and they will have a date book and the media check that date book to see what events are going on. So I wanted to make sure that was on the date book and they knew what was going on and so I sent them the information and I followed up with it.

We also have relationships with the media in our state and so I made sure that they received the information in a fax/e-mail and then did follow-up phone calls. And sometimes I made the phone calls or if I knew of someone who knew a reporter better than I did I asked that backup friend to also do a follow-up phone call. And so I called reporters, I called assignment desks, I called editorial board writers. When we were releasing this data we were right, our state was right in the middle of, of course, our campaign and the editorial boards were very busy doing endorsements and so it was hard to get a formal editorial board meeting. I would encourage you to see what's going on in your state next week to make sure that you can be as flexible as possible at the elections coming up, and if you don't get as much press as you want, to realize there may be other factors there but to keep pushing the issue.

What we ended up doing, because there were so many editorial meetings going on for endorsements, we met beforehand with editorial board people that we knew and the information was embargoed. They understood that and respected that embargo. And what I was very

delighted about whether it was going to be public was that this information was just taken up wholeheartedly and what was, when I was asked what else could they do besides an editorial, which of course they would do, I was asked the date I wanted the editorial and I said it would be nice if you'd ask the candidates for governor what they're going to do to prevent teen pregnancy and help teen parents and the response was okay we'll do that and we will ask all the candidates. And so I think it's real important to ask for what you want. That was a dream that I had and I asked for it and I got it. So I'd encourage you to ask what is it you want, what kind of help you want, to really say what you need and what you want.

And so we are still looking at this for follow-up. We are going to be sending out a release now because now there's other national data out there. So we're going to continue mining this data and I would encourage you to do the same. It really boils down to taking the time to make one-on-one phone calls to reporters and explain the significance of this for your state. They need to know how it impacts them. That is critically important, and to make sure that you're available for all the calls that come your way.

So, in looking over what the National Campaign has produced, the website and the link is phenomenal and if you haven't had a chance to go over it and to click every single link I would do so. But what I know I'm going to be using when I release, we're going to be doing a companion press release that's embargoed, along with what the National Campaign is doing because we know there are people who see our materials who will click our press releases and it also makes sure that the National Campaign's press releases don't get lost in the shuffle. But what we're going to include is they have a PDF file of the frequently asked questions from the report and I am going to make sure everyone has this but I would also encourage you to read this because, as Andrea will tell you, I had to feel comfortable with this data and I did but it took me time and I had lots of questions and so I'd encourage you to take time to really be comfortable with the data, to know it so you can answer questions with confidence. But again this FAQ is wonderful.

So I will just leave it at that and then be very happy to answer any other questions that you may have.

ANDREA KANE: Thank you so much Patty Jo. That was excellent. Let me just add one thing, which is that we realize that this is not the optimal time to be releasing this data a week before elections. We wish we could have released it a little bit earlier; we couldn't, but we got advice from a lot of people that it would be better to do it before the elections than after. So again, we realize that we wish it could be different but that's just where we are.

But this is not news, it gets old or becomes irrelevant, you know, in a week or in a month or in a year. So even if you can't get press coverage in the next few days, that's okay. There's no reason you can't go back to your reporters, your state legislators, other people at any point going forward and talk about this data. So I think Leslie we're ready for questions.

OPERATOR: Thank you. At this time we will open the floor for questions. If you would like to ask a question, please press the star key, followed by the one key on your touchtone phone now. Questions will be taken in the order in which they are received. If you would like to remove yourself from the questioning queue, press star, two.

Our first question comes from Thad Burke.

THAD BURKE: Yes this is regards to the methodology. The four-year and two-year delay were both on half-year increments, meaning from 16.5 to 20.5 or 18.5 to 20.5. If you covered that, I'm sorry, but why was that chosen? Why not just 16 to 20 or 18 to 20? I didn't hear that.

KATY SUELLENTROP: I believe that it was selected because it was more in the middle of that age range because normally we talk about 18 to 19 so instead of selecting something at that

bend of either 18 or 19 that the middle point was taken as a more accurate measure. But I would have to double check that and I'm more than happy to get back to you.

THAD BURKE: If you don't mind I'd appreciate that.

ANDREA KANE: Can you just restate your name and where you're from so we can find you?

THAD BURKE: Thad Burke from Oklahoma State Department of Health.

ANDREA KANE: Okay.

OPERATOR: Thank you. Our next question comes from Ted Swigart.

TED SWIGART: Hi this is Ted Swigart in Oregon. We have a question here for you.

SARAH RAMOWSKI: Hi my name is Sarah Ramowski and I had a question about the savings calculation. I noticed there's an estimate of the cost from the period of '91 through 2004 and there's also an estimate of the cost savings in 2004 alone. Is there an estimate of the cost savings over that entire '91 through 2004 period?

ANDREA KANE: No we decided not to do that because we were putting out so many numbers we were worried that they would get, there would just be too much and it's also a little bit more complex than just what we did, the 1991 to 2004. So we just stuck with that one-year cost savings.

SARAH RAMOWSKI: Okay, thank you.

OPERATOR: Thank you. Our next question comes from Leslie Bennett-Webb.

LESLEA BENNETT-WEBB: Hi there. I'm the Communications Director at the State Health Department in Oklahoma also, and just wanted to clarify, you mentioned that you had sent this news release to selected media in our state. Is there any way we can find out to whom you sent it?

ANDREA KANE: We basically used the publicly available lists of media and I don't have that list right in front of me but it was a wide number of people. You know pretty much all of your newspapers and I believe radio and TV as well. But if you want us to send you the actual list we can.

LESLEA BENNETT-WEBB: Well I guess that'll do. I guess my conflict is that you've already sent the news release to selected media and I appreciate that you've done that and I hope they do keep your embargo, but your informational materials indicate that we need to keep the embargo internally also, so I'm wondering how far that embargo goes since you've already provided it to the media? You know, my reading of your embargo request was that we don't share it internally among our agency staff.

ANDREA KANE: Are you asking whether you can share it with media or whether you share it internally?

LESLEA BENNETT-WEBB: Share it internally since you've already shared it with media.

ANDREA KANE: No, I think sharing it internally on an embargoed basis is fine at this point.

LESLEA BENNETT-WEBB: All right, thank you.

OPERATOR: Thank you. Again, if you would like to ask a question, please press the star key, followed by the one key on your touchtone phone now.

And our next question comes from Brandon Kufalk.

BRANDON KUFALK: Hello. I'm with the State of Wisconsin FC Control Program. One question I had was regarding the cost of lost tax revenues. Does that, is that just the mother or does that include both parents?

ANDREA KANE: In the overall number for your state and in the overall number, cost number for the nation, it's the lost tax revenue for the mother, the father and the children.

BRANDON KUFALK: And the children, okay.

ANDREA KANE: But in the figure one on your state fact sheet, that's just the children. Everything, I should have pointed that out, figure one on your state fact sheets for all of you is just the cost for the children because those are the bulk of the cost.

BRANDON KUFALK: Okay. Okay, thank you.

OPERATOR: Thank you. Again, to ask a question, please press the star key, followed by the one key on your touchtone phone now.

And our next question comes from Kelly Keeder.

CHERYL HOLTHAUSER (sp?): Actually this is Cheryl Holthouser here, that's fine. I was just really curious why the materials were embargoed for those few days?

ANDREA KANE: I guess I'm not quite understanding the question. It's pretty typical to embargo information because we want the press stories to all come out at one time.

CHERYL HOLTHAUSER: But if, you've already shared it with the press.

ANDREA KANE: Well things are often shared with the press ahead of time on an embargoed basis, which means that they have the information but they can't write about it until Monday the 30th. Does that make sense?

CHERYL HOLTHAUSER: Sort of.

KELLY KEEDER: It does to me but it's, this is Kelly Keeder. It does make sense to me but it's concerning that we're just getting the information, you know, earlier this week really and it doesn't really give us any advanced time to plan. We've got the person out who is actually probably going to be the one who's contacted by the media directly. She's out next week and the week after that.

ANDREA KANE: Okay.

KELLY KEEDER: So, yeah, it didn't really give us, had we gotten the heads up at least a couple of weeks in advance that, with maybe not the state information but, you know, some kind of summary that this going to be coming out we could have adequately prepared ourselves, but anyway.

ANDREA KANE: We understand, we've done the best we can just given the analysis is very complicated and took longer than we thought and we were actually making changes up until almost the last minute. So we were a little worried about putting stuff out before we had it absolutely finalized so.

KELLY KEEDER: And don't get us wrong. We're very excited to receive this (inaudible) material.

ANDREA KANE: Absolutely, good job.

KELLY KEEDER: It's very exciting work that you've done.

ANDREA KANE: We appreciate that but we also understand that, you know, it's a busy time and people have, you know, are not necessarily in the office so you can do the best you can with that situation.

KELLY KEEDER: Thank you.

OPERATOR: Thank you. Our next question comes from Stephanie Sheehan.

STEPHANIE SHEEHAN: Hi. I just want to make sure I understand your press release process correctly. These individual state press releases, the National Campaign is releasing them within each state or were they provided for the state to use if we wanted to?

ANDREA KANE: Both. We did send them out yesterday to press outlets in each of your states.

STEPHANIE SHEEHAN: Okay.

ANDREA KANE: We absolutely encourage and welcome your using them either sending them out yourselves or what sometimes has happened in the past is that people have taken, you know, what we've done in the press release and customize it, you know, on your own letterhead or with your own quotes or whatever. We absolutely welcome that.

STEPHANIE SHEEHAN: And what other organizations did you send this information to besides media?

ANDREA KANE: No one.

STEPHANIE SHEEHAN: No one, oh, okay.

ANDREA KANE: It hasn't gone to anybody else until about an hour ago. We sent it to some of the key folks at the federal government.

STEPHANIE SHEEHAN: Okay.

ANDREA KANE: Because we just sort of try to keep them in the loop for obvious reasons. But we really wanted to make sure that you all in the states got this first. We haven't sent it out to a bunch of other organizations.

STEPHANIE SHEEHAN: Okay, thank you.

OPERATOR: Thank you. Our next question comes from (inaudible).

ANDREA KANE: Valerie?

VALERIE: I'm sorry, hello.

OPERATOR: Go ahead.

VALERIE : I had my phone mute button on. I wanted to follow up to the question that was asked a couple of minutes ago and I apologize if I missed something, but I didn't quite understand why the lost tax revenue was only on the child and not the mother's earnings. Can you talk about that again?

ANDREA KANE: Sure. In the total cost of teen child bearing for the nation, the \$9.1 billion, or in the number for your state, whatever that is, that includes the lost tax revenue for the mothers, the fathers, and the children. And they're significant for all three of those groups. But what we highlighted in all cases for the state in that Figure One were the costs to public programs and the lost tax revenue for the children. We basically broke those out separately because that's where most of the costs are. So that figure one and the bullet that goes along with it on the first page of the fact sheet is just the lost tax revenue for the children. But again all of the lost tax revenue for the mother, the children and the father, are included in the total cost for your state or for the nation.

VALERIE: So when you say lost tax revenue for the child, it's on his or her future earnings because of (inaudible)?

ANDREA KANE: Exactly.

VALERIE: Okay.

ANDREA KANE: It's not obviously while they're a child. What we did is project what the earnings, lost earnings would have been over their career.

VALERIE: Okay, with limited education and advantages and things.

ANDREA KANE: Exactly.

VALERIE: Okay. Thank you very much.

OPERATOR: Thank you. Again, if you would like to ask a question, please press the star key, followed by the one key on your touchtone phone now.

Our next question comes from Elizabeth Waddell. Go ahead.

ELIZABETH WADDELL: Hi this is Elizabeth Waddell from the New York City Department of Health. I had a question regarding using the state level estimates at the city level. Do you recommend using the per child cost to estimate the cost within a city or within a county?

ANDREA KANE: Yeah. I think there's two possible ways to do it and it probably comes out about the same. One is you could, I mean and these are back of the envelope, they're not perfect.

ELIZABETH WADDELL: Right.

ANDREA KANE: You could certainly take New York City's share of the teen births in New York State and apply that (excuse me) or you could take the cost per birth. You have to break it out by the cost, we break it out to cost per birth 17 and under. And then for birth 18 to 19.

ELIZABETH WADDELL: Okay. Thank you very much.

KATY SUELLENTROP: And just one caveat about that cost per birth.

ELIZABETH WADDELL: Right.

KATY SUELLENTROP: Even that term is not exactly accurate. I mean, we call it that because it's sort of the easy thing to say. It's sort of the unit cost. But it's not actually the cost associated with the birth itself.

ELIZABETH WADDELL: Right.

KATY SUELLENTROP: I mean that in two ways. First of all it's not the actual delivery cost.

ELIZABETH WADDELL: Right.

KATY SUELLENTROP: And I know Patty Jo received that question in Arizona.

PATRICIA JO ANGELINI: I got quite a bit so that's important to really make sure people are clear on that.

KATY SUELLENTROP: Yeah, it's not the physical cost of the birth. It's all the costs associated with a child born to a teen mom and then we take a slice in one year.

ELIZABETH WADDELL: Okay.

ANDREA KANE: That's important but, you know, in shorthand people sort of will refer to it as a cost per birth (inaudible).

KATY SUELLENTROP: Yeah, that's clear but for purposes of estimating the average annual cost we would count the number of live births.

ELIZABETH WADDELL: Okay, thank you.

OPERATOR: Thank you. Our next question comes from Ted Swigart.

TED SWIGART: Hi this is Ted Swigart in Oregon. The question I have is, and I'm looking at the data for Oregon and the cost per, and then we have a comparison to our region, and so for example Washington and Idaho are less. I'm just wondering so did you do an analysis or did you consider what that cost difference, what does that mean? I'm kind of assuming that as soon as the media looked at this they're going to want to know that, you know, the answer to that kind of question. Why is Oregon higher or lower than some other state around them?

ANDREA KANE: Sure. I mean, first of all the reason that we did that regional comparison was that a number of state folks that we talked to into developing this thought that people would immediately want to know how you compared and so we figured we might as well provide that information realizing that that in turn will lead to questions. And then the reason that we chose the states to compare you to that we did was we just used the typical public health reasons.

The reason that the costs are different, I mean, it includes a number of different factors but it's basically taking that cost per birth that we just talked about for you and comparing them to your neighboring state and that, so it already controls for the number of teen births or for the size of the state, but it may be that Oregon pays more for Medicaid, for example, or more for child welfare than your neighboring states. Or you may have eligibility policies that are more generous or inclusive than your neighboring state and there's other things that could factor in. For example, tax policies are different in different states. Some states don't have income tax or sales tax. So you would therefore have less tax revenue as a loss. So, you know, we can't tell you exactly why your number is different than your neighboring state but those are some of the reasons that would go into the differences.

FEMALE SPEAKER: Do you have more detailed information with the research that folks can access and look at for their state?

ANDREA KANE: Yes, I would recommend checking out the appendices that are posted on the website.

FEMALE SPEAKER: Okay.

ANDREA KANE: Because those have all the costs broken down by state. So you can go in and look at, all right, how much did my state spend on Medicaid? How much did my state spend on incarceration? And you can make an estimate of what you think. So, for example, in Oregon if they spent twice as much on Medicaid as they did in another state it would appear that perhaps that might be driving the cost.

FEMALE SPEAKER: Perfect, thank you.

KATY SUELLENTROP: You can't, I mean, you have to remember that the size of these birth populations are dramatically different from state to state. So just keep that in mind when you're comparing.

ANDREA KANE: The appendix that Katy is mentioning doesn't do it on a per birth rate. It just looks at the overall impact of teen child bearing on Medicaid costs in all states, child welfare costs in all states, et cetera.

KATY SUELLENTROP: And you can also compare how your state's doing in cost savings. For example, California, while they spend a lot, has saved over a billion dollars because of the progress that they've made in reducing teen pregnancy.

ANDREA KANE: And in the appendix that are posted on the website right now and that are in the national report we ranked some things and we didn't rank other things just because we didn't have, you know, we didn't have an infinite amount of space in the appendices in the report. But we're going to be doing some additional tables that are just on the web and not in the report that break these things down further and provide ranking so that you don't have to sit

there and figure out well if it's Oregon I have to count exactly how I compare to every state. So those will be up in the next couple of days.

TED SWIGART: Oh great, thank you.

OPERATOR: Thank you. Our next question comes from Barbara Lemus.

BARBARA LEMUS: Yes, this is Barbara Lemus and I'm from the Department of Health Services in California. Unfortunately, we didn't register on Friday and wanted to be able to access the website that you're referring to where it has all the states information.

ANDREA KANE: So you need the embargoed website?

BARBARA LEMUS: Yes.

ANDREA KANE: www.teenpregnancy.org/costs

BARBARA LEMUS: Back slash cost?

ANDREA KANE: Yes.

BARBARA LEMUS: Okay, great, thank you.

ANDREA KANE: Okay.

OPERATOR: Thank you. Our next question comes from David Dube.

DAVID DUBE: Hi, this is David Dube in Phoenix, Arizona and my question has to do with have you looked at any of the comparisons of the ranking of the cost, accumulative costs of the birth in each state to the ranking of that state in terms of teen births? Is there any relationship there?

KATY SUELLENTROP: Yes. There is a relationship because it's dependent. Obviously the cumulative cost is larger if you have a number of births, if you have a larger number of births. I believe in the appendices we have the accumulative costs ranked but we don't have, no, we have the total number of births ranked as well. So if you take a look at the appendices, both of those should be in there.

DAVID DUBE: Thank you very much.

OPERATOR: Thank you. Once again, if you would like to ask a question, please press the star key, followed by the one key on your touchtone phone now.

Okay, we have no questions in the queue right now.

PATRICIA JO ANGELINI: Andrea is I could just make one comment?

ANDREA KANE: Sure.

PATRICIA JO ANGELINI: (Inaudible) the sons of teen mothers (inaudible) they tend to be more likely to be incarcerated. With this report that changes. That figure is now 2.2. So if any of you use that figure when talking about the cost of teen pregnancy it's important to go through the report and adjust that.

ANDREA KANE: Yeah, Patty Jo, thank you for raising that. The original *Kids Having Kids* was not only famous for having come up with cost estimates, but it was, (inaudible) of the consequences of teen child bearing that we all talk about comes from. And in the by the number summary that Saul Hoffman offered that's coming out on Monday, many of those consequence numbers, not with dollar signs attached, but just things like Patty Jo just mentioned, how much more likely a son of a teen mother is to be incarcerated, for example, are included and updated. Some of them didn't change, some of them did.

So I think Patty Jo's point is important that you will want to read through that national report to make sure that your current, or the data that you're using in terms of consequences is up to date. We didn't do that at the state level unfortunately. We just couldn't do that but nationally a few of those numbers did change. And when the new *Kids Having Kids* book comes out next year, I suspect there will be even more up-to-date analysis on some of those consequence numbers because they weren't finished with all of those things in time for us to feed into this report since our report mainly just focuses on the cost.

Any other questions, or suggestions, or comments, or ideas for how you might be using this data? We'd love to hear any of those for folks that want to jump into that queue.

OPERATOR: Okay. Our next question comes from Karen Wreitand.

KAREN REITAN: Hi, excuse me. This is Karen Reitan in Chicago. I had a question about the incarceration data as well and I'm looking at the consequences report, the PDF online. And I'm just curious if there's anything that can textualize that data? Only because when I think about how people in Illinois will use this data to demonize teen moms that's one thing that they'll bring up. And so I think it's important to talk about, you know, the sons of adolescent mothers are 2.2 times more likely to spend time in prison but if there was some context to that data about what is

contributing to that other than that they have a teen mom or what is it about that circumstance, that would be helpful.

ANDREA KANE: Well it's a fair point in terms of how people might use the data and certainly we hope that people don't misuse it. But I think the honest factual answer is that, as Katy talked about, was to talk about the methodology. The analysis controls for all those other circumstances in the lives of the son of the teen mother. And so the only difference that is being captured is the fact that he was born to a mother who happened to be a teenager when he was born. Now as to why, and I think that's probably a complicated story, we don't have, you know, explicit research on that. You know, I think we could probably all speculate.

KAREN REITAN: Sure.

ANDREA KANE: But, you know, the thing that I would perhaps point to and it may go in the wrong direction in terms of the point you're trying to make, is that children born to teen mothers are also far more likely to end up in the child welfare system.

KAREN REITAN: Sure.

ANDREA KANE: And that actually comes from data from Illinois. You know, so it may just be there's a number of ways in which these children are at a disadvantage because of the age of their mother that lead to behaviors either on their part or on their parent's part and that have them at more risk of being in the child welfare system or in the criminal justice system. And in Arizona how we're looking at that is we're saying that they need to invest in programs for pregnant and turning teens.

KAREN REITAN: Sure.

ANDREA KANE: That this can be turned around and they can be good parents, they're young. And so that's how we're using it as, this is how we need to respond to these numbers.

KAREN REITAN: Yeah, that's how we will use it too around things like access to education and support and all of that kind of stuff. I was just wondering if there was a piece of the research.

(Inaudible)

ANDREA KANE: It has gone down. Is that we're not talking about big percentage differences. But because incarceration is so expensive, as you all know, even relatively small percent differences add up to big cost differences.

KAREN REITAN: Right.

ANDREA KANE: And some people might be wondering why we don't have data on the daughters of teen mothers. So let me just mention that quickly, which is even though...

KATY SUELLENTROP: For incarceration.

ANDREA KANE: For incarceration, thank you. Even though we know that women in prison, you know, the numbers of women in prison are growing quickly, the numbers are still so small that we were not able to have good enough data to do a solid analysis on that.

KATY SUELLENTROP: And we were also not able to get data on juvenile justice systems. So that might, you know, while it might provide more context, there aren't any studies out there that have good data to allow us to measure the impact of the age of first birth on entrance into the juvenile justice system. So we can assume from the fact that, you know, young men of teen mothers are 2.5 or 2.2 times more likely to be incarcerated as adults, that there probably were some that were incarcerated as children or minors, but we just don't have data.

OPERATOR: Thank you. Our next question comes from Charles Everett.

CHARLES EVERETT: Yes, just a comment regarding your data on incarceration in the conversation I just listened to. One of the prime things that we might want to look at ladies is the fact that the majority of those teen mothers are single mothers. Therefore there is little or no parental from a father image in the lives of those young men or young ladies, and that is directly contributory. Take a look at your data that should be available by state of the numbers of individuals incarcerated that did not have a reasonable influence of a male parental image in their family. There's some data that reflects that there's up to 93% of the fellows who are incarcerated currently in Georgia did not have a strong male image in their family.

ANDREA KANE: Good point.

OPERATOR: Okay, thank you. If you would like to ask a question, please press the star key, followed by the one key on your touchtone phone now.

Okay, our next question comes from Petra Yerman.

PETRA YERMAN: Hi, this is Petra Yerman for the Public Health Institute in California. I was just looking at...

ANDREA KANE: Petra can you speak into the phone a little bit, it's hard to hear you.

PETRA YERMAN: Oh it's hard to hear me, okay. Is it better now?

ANDREA KANE: Yes.

PETRA YERMAN: Okay. I was just wondering, there seems to be a focus on (inaudible) to mothers 17 and younger and I was just wondering why you decided to take that approach given that, I guess, the majority of the births tend to be to mothers 18 and 19 years old?

KATY SUELLENTROP: Yeah, that's a great question Petra, thanks. The reason why we chose to focus on the teen birth to moms age 17 and younger is that they're much more expensive.

PETRA YERMAN: Okay.

KATY SUELLENTROP: And while there are fewer of them, as we mentioned, the delay, the impact delay that we were measuring was four years and so they had much higher costs associated with them. The cost nationally for mothers who had a child when they were 18 to 19 was only about \$400 million. So of that \$9.1 billion they're not having, they don't contribute a lot. And we think that some of that is because of we chose to measure them against a woman who delayed to 20½ so it's only a two-year difference so we're not really picking up a big difference between those two groups.

PETRA YERMAN: Thank you.

OPERATOR: Okay, again, if you would like to ask a question, please press the star key, followed by the one key on your touchtone phone now. Ms. Kane at this time there are no more questions in the queue.

ANDREA KANE: Okay. Well that's good timing because I think we're approaching 2 o'clock Eastern Time and we appreciate your patience. We hope this has been helpful for you. Feel free to get in touch with myself, Katy, or Kristen, I think at this point if you have questions I know many of you have been in contact with our colleague Kristen Tertzakian, she's actually on the road herself so not reachable today. But, Katy, do you want to give your e-mail?

KATY SUELLENTROP: Yeah, my e-mail address is ksuellentrop@teenpregnancy.org.

ANDREA KANE: And mine is akane@teenpregnancy.org. So, you know, anytime you have questions feel free to get in touch and we'll do our best to respond.

And one more thing before we close; on the website where we have a section on, Michael what's the name of that place where people can write in about what they're doing? We have a place on the (inaudible) website called State Stories, where we would love to collect examples of how you are all using the data. I think it's right next to the fact sheet on what you can do in your community and right now we highlight Arizona as an example and we hope that within the next few months we can highlight many other interesting things that you all are doing, and you can just e-mail information, you know, any examples of how you're using the data to Kristen Tertzakian and her e-mail is ktertzakian@teenpregnancy.org. But you should all have that because I think you got the original invite from her.

So with that we'll wrap it up. We really appreciate your being on the call today. Thank you very much.