Do you know what you’re spending on teen pregnancy?

A report on the public cost of teen pregnancy in South Carolina.
An old problem with a new meaning

It's an easy subject for a community to push to the side. After all, teen pregnancy is a personal issue to be dealt with within the privacy of a family.

And yet, teen pregnancy is also a significant issue that impacts a community in ways you may not have imagined. High school dropout rates, poverty, the welfare system, child abuse, and even crime — all are heavily impacted by the challenges, immediate and long-term, facing young mothers and young fathers.

What's more, teen pregnancy is a significant economic issue that costs every South Carolina taxpayer. How significant?

Studies show births to teen mothers cost our state $180,000,000 every year. Every year.¹

But there is good news. We know exactly what to do to curb unintended teen pregnancy rates. When we do, taxpayers will see tremendous cost savings and South Carolina will be a healthier, more prosperous state.
A closer look at the issue

These are the facts:

- Nationally, teen childbearing costs taxpayers $9.1 billion a year.³
- South Carolina ranks 8th highest in the country in pregnancy rates among 15-to-19-year-olds.⁴
- There were more than 88,000 births to South Carolina teens in the last 10 years.⁵
- The cost to South Carolina taxpayers is estimated at $1.8 billion, or upwards of $180 million every year.⁶

Even in good economic times, these numbers are unacceptable. But put them in the context of today’s unprecedented state budget challenges, and we have a real crisis. South Carolina’s legislators are being asked to spend smarter and prioritize more wisely. Every program is under the microscope and every dollar allocated is questioned.

Here’s an idea. Use a fundamental principle of economics — the cost-benefit analysis—to determine just how much investing in programs that prevent unintended teen pregnancy can save in tax dollars in the long run.

The Iowa Study

In a 2010 report released by the Public Policy Center, researchers at the University of Iowa and the University of Northern Iowa found that each tax dollar invested in programs and clinics to prevent unintended pregnancy saved taxpayers an average of $3.78 in the first year — nearly a 400 percent return on investment. (These were weighted averages across all age categories.) Invest $1 preventing unintended pregnancy among teenagers 14-19 and over five years, the tax-dollar savings climbs to $17. That’s right. Spend $1 and save $17.⁷

What’s more, with a documented 17:1 return on investment, lawmakers can save enough to fund the operations for three major state agencies. Every year.

WHAT $180 MILLION DOLLARS COULD DO IN SOUTH CAROLINA

Firefighters in South Carolina have an average annual salary of $32,050. 180 million dollars could fund 5,616 firefighter salaries per year.⁸
Facing the reality of a budget shortfall, we encourage state leaders to take a long-term view and consider where investments make sense, not just where cuts can be made. Today’s budget crisis presents an opportunity to solve both an old problem (teen pregnancy) and a new one (revenue shortfalls) with a proven solution — investing in prevention.

**A change in perspective**

EACH YEAR, TEEN CHILD-BEARING COSTS
RICHLAND COUNTY TAXPAYERS APPROXIMATELY
$9,648,450

EACH YEAR, TEEN CHILD-BEARING COSTS
GREENVILLE COUNTY TAXPAYERS APPROXIMATELY
$12,991,350

THE COST TO THE STATE OF SOUTH CAROLINA IS
$180 million

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**Richland County**

- Lost tax revenue: $1,736,721 (18%)
- Public assistance: $964,845 (10%)
- Incarceration of Sons of Teen Mothers: $6,946,884 (72%)

** Greenville County**

- Lost tax revenue: $2,338,443 (18%)
- Public assistance: $1,299,135 (10%)
- Incarceration of Sons of Teen Mothers: $9,353,772 (72%)
An issue of epic proportion

Most of the costs of teen childbearing are associated with the negative consequences for the children of teen mothers, costing taxpayers an estimated $3,330 per child per year.12 Overall costs include:

- $39 million for public healthcare (Medicaid and SCHIP)
- $6 million for child welfare
- $29 million for incarceration of sons of teen mothers
- $51 million in lost tax revenue, due to decreased earnings and spending

Why is this? In the event of an unintended pregnancy — particularly among teens — care for both the mother and the child is often publicly funded for years. Costs include assistance with food, medical care and childcare. Healthcare costs are often significant, starting with neonatal intensive care; one-third of teens do not see a healthcare provider during the critical first trimester of pregnancy, so the odds of a baby born with complications is greatly increased.

“Our long-term goal must be to lower the number of teen pregnancies. We can do this through education and access, something our legislators can help provide.”

— Deborah Billings, Ph.D.

Tell Them member
Assistant Professor, Health Promotion, Education and Behavior at the Arnold School of Public Health; Women’s and Gender Studies at the University of South Carolina.
While teen childbearing is costly to the public sector — that is, to federal, state, and local governments and the taxpayers who support them — there are adverse personal consequences for teen mothers, fathers, and their children. More sobering are the long-term implications for society. At a greater risk of social and economic disadvantage throughout their lives, one study shows that only 51 percent of teen mothers get their high school degree by the age of 22.¹⁴

Studies show children of teen mothers are more likely to:¹⁵
- have a lower birth weight
- grow up poor
- live in single-parent households
- experience abuse and neglect
- enter the child welfare system
- score lower on reading and math assessments when entering kindergarten
- not graduate from high school

What’s more, sons of teen mothers are more likely to be incarcerated. And daughters of teen mothers are more likely to become teen parents themselves.

“We see a direct correlation between teen pregnancy and poverty in South Carolina. These unintended pregnancies hurt our economic development, school systems and health care. As a state, we must move forward with proven prevention policies that expose our young people to the information they need to make better decisions.”

— Susu Johnson
Tell Them member
Past Chair of the Board of Trustees for Converse College
Former Spartanburg City Councilwoman

WHAT $180 MILLION DOLLARS COULD DO IN SOUTH CAROLINA

Teacher and School Health Professional Salaries

South Carolina secondary school teachers make, on average, $48,030 per year. 180 million dollars could provide 3,747 teachers with annual salaries.

Special education teachers in South Carolina are paid an average salary of between $44,990 and $47,500 annually. On average, 180 million dollars could provide 3,892 special education teacher annual salaries.

School and vocational counselors in South Carolina make, on average, $48,140 annually. 180 million dollars would provide salaries for 3,379 counselors per year.¹⁶
The best investment we can make

One of the most fiscally responsible actions our leaders can take today is to properly fund teen pregnancy prevention programs that offer: (1) comprehensive sex education and (2) access to family planning health services. Simply put, these investments pay huge dividends. Just what is the impact of current spending on pregnancy prevention? The most recent data (2009) from the South Carolina Department of Health and Environmental Control (DHEC) shows progress in reducing teen pregnancy among certain groups.17 Young people in South Carolina are delaying pregnancy – they simply are not delaying it long enough. Rates of teen pregnancy among 15-17 year old youth are the lowest that they have ever been. At the same time, rates of teen pregnancy among older youth, those 18-19 have increased, particularly among Caucasian teens.

This data sends a clear message. First, the state’s investment in preventing teen pregnancy among school-aged youth has been successful and should be renewed. Secondly, and equally compelling, a commitment must be made to older youth whose pregnancy rates are increasing.

Admittedly, there is much debate over the kinds of prevention programs our state should provide. But one thing we can all agree on is that our limited resources must be allocated to programs with strong evidence of success. In study after study, that means age appropriate, medically accurate, comprehensive sex education programs that cover both abstinence and contraception, along with access to family planning services — an approach supported by 81 percent of registered voters in South Carolina.18

More than 140 national organizations have taken a formal position in favor of comprehensive sex education, including:

American Academy of Pediatrics
American College of Obstetricians & Gynecologists
American Medical Association
American Public Health Association
Institute of Medicine
Society for Adolescent Medicine
American Psychological Association, National Association of School Psychologists
American College Health Association
National Campaign to Prevent Teen and Unplanned Pregnancy
National Education Association
National Medical Association
National School Boards Association
Consider two school-based prevention programs that have yielded incredible results in Charleston County. Baptist Hill High School and St. John's High School are located in high poverty communities with vulnerable student populations. Prior to launching the programs in 2004, the number of births to teen mothers in these schools was 40 to 50 per academic year. Six years later, the two high schools are reporting only 1 to 3 student pregnancies combined.¹⁹

Imagine the progress our state could make with more programs like this in place. And yet, cuts are looming. Thirty DHEC family planning clinics have already been closed. Others are not staffed sufficiently to meet the demand. When lawmakers consider further cuts, let's hope they remember what our state could be saving if we prevented more teen pregnancies.

Family planning is more than birth control. It is a full continuum of reproductive health services including counseling, sex education, contraception, cervical and breast cancer screenings, and HIV and STI/STD testing.
It’s time

Our lawmakers face the unenviable task of making dramatic cuts in our state’s budget. Many, many agencies and organizations, doing work that matters to the people of South Carolina, will find their budgets woefully inadequate when this legislative session ends.

But no budget cuts possess long-term ramifications that are more significant to our state than insufficient funding for family planning and reproductive health. At a current cost of $180 million a year (at an already too low $3.8 million investment), the price tag will skyrocket as teen pregnancy rates rise.

Instead, let’s properly fund services proven to prevent teen pregnancy in the first place. We’ll give thousands of young people in our state the opportunity to become healthy, productive citizens, and we’ll stop a cycle of poverty that has crippled our state for far too long.

“So many of our state’s challenges are rooted in a failed investment in prevention and frankly a failed investment in our young people. By investing in teen pregnancy prevention programs we can make strides in improving the well-being of our youth, improving the overall health and well being of South Carolina, and lessen the burden on taxpayers.”

— Forrest Alton
CEO
SC Campaign to Prevent Teen Pregnancy

To learn more about these issues and how you can get involved, please visit www.newmorningfoundation.org or www.tellthemsc.org.

New Morning Foundation is a non-partisan grant-making and policy organization dedicated to improving young people’s access to reproductive health education, counseling, and clinical services. Tell Them is the organization’s grassroots electronic advocacy network.

Sources for research, data, and statistics can be found at tellthemsc.org.