

**SB**

**260**

FISCAL NOTE

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

BILL NO. SB 260

Revision Date: \_\_\_\_\_ Department Affected: Administration  
 Title: "An Act requiring the cost of contraceptives be BRU: Centralized Administrative Services  
Included in health insurance coverage." Component: Retirement & Benefits  
 Sponsor: Senator Ellis  
 Requestor: (S) HES COMPONENT SERIAL NO. 2271

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES	.	.	.	.	.	.
TRAVEL	.	.	.	.	.	.
CONTRACTUAL	.	.	.	.	.	.
SUPPLIES	.	.	.	.	.	.
EQUIPMENT	.	.	.	.	.	.
LAND & STRUCTURES	.	.	.	.	.	.
GRANTS, CLAIMS	.	.	.	.	.	.
MISCELLANEOUS	.	.	.	.	.	.
TOTAL OPERATING	.	.	.	.	.	.

CAPITAL EXPENDITURES	.	.	.	.	.	.
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CHANGE IN REVENUES ( )	.	.	.	.	.	.
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FUND

1002 Federal Receipts	.	.	.	.	.	.
1003 GF Match	.	.	.	.	.	.
1004 GF	.	.	.	.	.	.
1005 GF/Program Receipts	.	.	.	.	.	.
1037 GF/Mental Health	.	.	.	.	.	.
OTHER	.	.	.	.	.	.
TOTAL	.	.	.	.	.	.

Estimate of

~~POSITIONS:~~

FULL-TIME	.	.	.	.	.	.
PART-TIME	.	.	.	.	.	.
TEMPORARY	.	.	.	.	.	.

ANALYSIS: (Attach a separate page if necessary.)

This legislation will have no additional cost to state agencies. From a legal standpoint, the State would not be required to comply with this legislation, since we are self-insured. However, although the State of Alaska operates a self-insured health program, it has been our policy to follow legal mandates set by the legislature. Because employer contributions to the state health plan have been capped, this legislation will result in approximately a \$3.25 per employee per month premium increase, which will have to be borne by state employees.

Prepared by: Guy Bell, Director  
 Division: Retirement & Benefits

Phone: 465-4460  
 Date: \_\_\_\_\_

Approved by Commissioner: Mark Boyer  
 Agency: Administration

Date: 3/11/98

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# FISCAL NOTE

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

BILL NO. SB 260

Revision Date ( 2/19/98 ) \_\_\_\_\_ Dept Affected Commerce & Economic Development  
 Title An Act requiring that the cost of contraceptives and BRU Insurance  
related health care services be included in health care coverage Component Insurance  
 Sponsor Senator Ellis  
 Requester (S) HES Component Serial No. 354

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)  
 This bill has no fiscal impact on the component.

Prepared by Marianne K. Burke, Director Phone 465-2515  
 Division Insurance Date 2/19/98  
 Approved by Commissioner Deborah B. Sedwick Date 2-19-98  
 Agency Commerce and Economic Development

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# ALASKA STATE LEGISLATURE

Senate Health, Education and  
Social Services Committee

•  
Senate Judiciary Committee

•  
Department of Health and Social  
Services Budget Subcommittee

•  
Department of Law  
Budget Subcommittee



*January - May*  
State Capitol, Rm. 9  
Juneau, Alaska 99801  
(907) 465-3704  
fax: (907) 465-2529

•  
*June - December*  
716 West 4th Ave., Ste. 440  
Anchorage, Alaska 99501  
(907) 258-8182  
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## SENATOR JOHNNY ELLIS

### The Contraceptive Coverage Act

Senate Bill 260

#### Letter of Intent

Contraceptive technology is constantly changing, and even medical experts disagree on how certain methods of contraception work. Thus, the sponsor believes it is unwise for the legislature to dispute specific methods, but that it is very important to clarify the intent of Senate Bill 260.

This legislation is intended to require insurance providers in Alaska to cover contraceptives and contraceptive services.

Contraceptives have the primary purpose of, or special utility for, preventing conception.

The sponsor intends that conception be understood as the fertilization of an ovum.

The sponsor does **not** intend to require insurance coverage for any appliance, drug or medicinal preparation (or related health care service) the primary purpose of which is to affect a fertilized ovum. Put more plainly, the sponsor does not intend to mandate coverage for abortions.

# ALASKA STATE LEGISLATURE

Senate Health, Education and  
Social Services Committee

Senate Judiciary Committee

Department of Health and Social  
Services Budget Subcommittee

Department of Law  
Budget Subcommittee



January - May  
State Capitol, Rm. 9  
Juneau, Alaska 99801  
(907) 465-3704  
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716 West 4th Ave., Ste. 440  
Anchorage, Alaska 99501  
(907) 258-8182  
fax: (907) 258-8734

## SENATOR JOHNNY ELLIS

### Sponsor Statement

#### The Contraceptive Coverage Act of 1998 "Fewer Abortions, Fewer Orphans"

Most health insurance plans exclude contraceptives. Nationwide, only one third of health insurers cover oral contraceptives, the most popular method. Only 15% cover diaphragms, only 18% cover IUD's and only 24% cover hormonal implants. Coverage in Alaska is no better.

While non-prescription contraceptive methods (such as condoms and spermicides) are widely available, the most effective methods (such as oral contraceptives and hormonal implants) are more costly and are obtainable only from a health care provider. Thus, women whose health care plan does not cover contraceptives are denied access to the most effective methods.

Though most insurance plans provide no contraceptive coverage, they routinely cover abortions, sterilizations, and tubal ligations all more dangerous and more expensive procedures.

#### "Fewer Abortions, Fewer Orphans"

Improving private insurance coverage for contraceptive services will increase access to contraception and reduce barriers to effective family planning. It will help more women prevent unintended pregnancy and reduce demand for abortions.

Increased access to contraceptive services will help families plan to bring children into healthy homes when the time is right. Wanted children and their mothers are much less likely to become victims of abuse and neglect. Wanted children tend to succeed more easily in school and in life.

Please join me in this effort to strengthen Alaskan families by broadening the range of contraceptive options available to them.

2/4/98  
Kelli Mahoney  
925 Lone Cub Way  
Wasilla, Ak  
99654

Senator Johnny Ellis  
Representative Eric Croft

Dear Sirs,

Thank you for addressing a missing piece of women's health care needs. Insurance companies have great power to develop public policy. Government is the only thing standing between the underinsured and overlooked, and the health services they need. Too many times women are faulted for making unwanted babies, yet are not helped to avoid such a pregnancy. Even married women may want to limit their families. This is not a sensible state of affairs. If insurance and public health outlets cannot assist in the area of contraception, the public and private cost will be enormous. SB 260/ HB 350 will help to reduce unintended pregnancy, and along the way, will let insurance companies know that women are consumers with special needs. Alaskan women are lucky to have public servants on their side.

*Kelli Mahoney*



## REPRESENTATIVE ERIC CROFT

January 26, 1998

Senator Gary Wilken, Chair  
Senate Health and Social Services Committee  
Room 510, State Capitol  
Juneau, Alaska 99801-1182

Dear Gary,

Thank you very much for your sponsorship of SB260, the Contraceptive Coverage Act. I appreciate your interest in the bill and your support.

I understand you are concerned about whether intrauterine devices (IUD's) are considered contraceptives or abortifacients, and whether or not they would be covered via HB350/SB260.

Medical science is inconclusive regarding how IUD's work. Earlier research indicated that they interfere with attachment of a fertilized ovum to the uterine wall, but recent research suggests that they actually prevent fertilization. Evidence isn't conclusive; nobody really knows.

Thus, since we're not medical experts, I think it is wisest to avoid discussion of what particular methods of contraception we wish to cover and why. We can leave such questions to scientists. If research proves conclusively that IUD's are contraceptives, then they should be covered.

Meanwhile, I'm convinced that it's vitally important to clarify for the record what these bills are intended and not intended to cover. Accordingly, I plan to read the enclosed letter of intent into the



record at HB350's first hearing. I welcome your comments regarding the intent letter (and anything else regarding the bill or the issue).

I also want to clarify for you what happened when the Oregon legislature took up this issue recently. The bill passed the Republican-controlled pro-life State Senate with a vote of 20-10 (11 Republican votes and 9 Democratic votes). In the Republican-controlled House, the insurance lobby killed the bill in committee before it could reach the floor.

I believe strongly that reasonable pro-choice and pro-life forces can agree to require insurance coverage of contraception. It will reduce the number of abortions and diminish a host of social problems.

Again, I appreciate your assistance in taking on this important issue. Please don't hesitate to contact my office any time.

Sincerely,



Representative Eric Croft

cc: Representative Joe Green, Chair, House Judiciary Chairman  
Rep. Jeannette James, Chair, House State Affairs Committee



## Pregnancy Planning and Wantedness Among Mothers of Alaskan Newborns

In this issue PRAMS data are used to look at pregnancy planning and wantedness for Alaskan mothers who delivered a live birth during 1990-1993.\*

- 50% of pregnancies resulting in a live birth during 1990-93 were unplanned.
- 9% of women who gave birth during 1990-93 were at risk of unintended pregnancy in the postpartum period.
- Among recent mothers, teenagers were least likely to use birth control during the postpartum period.
- An estimated 23,312 children born during 1990-93 were the result of unplanned pregnancies.

\*Some of the data in this Dataline was presented at the 1994 Alaska Health Summit.

Federal funding of the national network of family planning clinics has dropped drastically since 1980.<sup>1</sup> This decrease in funding limits access to family planning services and may directly or indirectly result in unplanned or unwanted pregnancies. Women at-risk for unintended pregnancies are often simultaneously at risk for contracting a sexually transmitted disease<sup>2</sup> and women with unwanted pregnancies have been found to have four times the odds of experiencing physical violence during or immediately before pregnancy as women with intended pregnancies.<sup>3</sup>

In addition to harmful consequences for the woman, unintended pregnancies may be associated with behaviors during pregnancy that increase the risk for adverse birth outcomes, including a delay of initiation of prenatal care.<sup>4</sup> A recent study also suggests that wantedness may be a predictor of a child's low educational attainment.<sup>5</sup>

It is important for health and social services providers to identify women at greatest risk of unintended pregnancy so that public health interventions and educational efforts can be directed to the appropriate groups. We used data from the Alaska Pregnancy Risk Assessment Monitoring System (PRAMS) covering birth years 1990-93 to determine the following: indicators of unintended pregnancy, the percentage of unplanned or unwanted births, and birth control practices of postpartum women.

PRAMS is an ongoing survey of mothers of newborns (see May 1995 Dataline for survey methodology). We evaluated answers to the following questions:

1. "Thinking back to just before you were pregnant, how did you feel about becoming pregnant?"
2. "When you got pregnant with this baby were you doing anything to prevent pregnancy?"
3. "Are you now doing anything to prevent pregnancy?"
4. If no to #3: "Why are you not doing anything to prevent pregnancy?"
5. If yes to #3: "What are you using now to prevent pregnancy?"

1993. In Alaska, those women who were <20 years of age, had <12 years of education, were not married, or had a family income of \$10,000 or less were at greater risk of an unintended pregnancy (Table 2). The risk for unintended pregnancy varied by race with the highest percentage among Alaska Natives (19.4%) followed by Asians (10.2%), whites (5.7%) and blacks (5.1%).

If our results are applied to the total Alaska population (using 1990 census data), 23,312 children born during 1990 to 1993 were the result of unplanned pregnancies and 5,233 were the result of an unwanted pregnancy. These unplanned, mistimed, and unwanted pregnancies occurred disproportionately among teenage mothers, poor women, and women of black or Alaska Native race. Because a number of serious adverse health and education outcomes to both the mother and infant may result from unwanted or unplanned pregnancies, these results suggest the potential for a crisis situation, particularly among those groups who are already most disadvantaged.

The high percentage of postpartum teenagers who had an unplanned or unwanted birth suggests that increased emphasis should be placed on providing families or schools with the resources to teach family planning concepts. Additionally, clinics in the national network of family planning clinics provide the primary source of contraceptive services for women with low income, particularly teenagers. These clinics provide sites where increased outreach efforts may be effective. In particular, effective family planning methods which

Table 1. Percent of women with unplanned, mistimed or unwanted\* pregnancies resulting in a live birth by age and race, Alaska, 1990-93.

Indicator	% Unplanned (SE†)	% Mistimed (SE)	% Unwanted (SE)
<u>Maternal Age at Delivery</u>			
<20 years	74.2 (2.1)	53.2 (2.5)	14.1 (1.5)
20-29 years	49.9 (1.0)	34.6 (1.0)	9.7 (0.6)
30 years and older	41.4 (1.3)	19.4 (1.1)	15.5 (1.0)
<u>Race</u>			
White	45.8 (1.0)	30.0 (1.0)	9.9 (0.6)
Black	68.7 (4.2)	42.1 (4.6)	23.4 (4.0)
Alaska Native	58.7 (0.8)	35.7 (0.8)	16.8 (0.6)
Asian/Other	48.8 (3.5)	29.8 (3.4)	11.8 (2.5)
<u>Annual Family Income</u>			
≤\$10,000	68.5 (1.4)	42.6 (1.7)	17.3 (1.3)
\$10,001-30,000	54.6 (1.2)	35.4 (1.2)	12.9 (0.8)
\$30,001-50,000	40.3 (1.7)	27.6 (1.6)	9.0 (0.9)
>\$50,000	31.6 (1.7)	20.6 (1.5)	8.4 (1.0)
Overall 1990-93	49.7 (0.7)	31.7 (0.7)	12.0 (0.5)

\* Mistimed and unwanted categories are mutually exclusive.  
† Standard error

Table 2. Percent of postpartum\* Alaska women who were at-risk† for having an unintended pregnancy, 1990-93.

Indicator	%	(SE‡)
<u>Maternal Age at Delivery</u>		
<20 years	12.8	(1.3)
20-29 years	8.7	(0.4)
30 years and older	5.1	(0.6)
<u>Race</u>		
White	5.7	(0.4)
Black	5.1§	(1.7)
Alaska Native	19.1	(0.6)
Asian/Other	10.1	(2.0)
<u>Education</u>		
<12 years	17.3	(1.2)
12 years	9.1	(0.5)
>12 years	6.1	(0.6)
<u>Marital Status</u>		
Married	8.0	(0.4)
Other	11.6	(0.6)
<u>Annual Family Income</u>		
≤\$10,000	15.1	(1.0)
\$10,001-30,000	9.4	(0.6)
\$30,001-50,000	6.4	(0.8)
>\$50,000	4.7	(0.7)
Overall 1990-93	9.0	(0.3)

\* On average, 5 months postpartum

† Women who were using contraception, sterile, pregnant, trying to become pregnant, or not having intercourse were considered not at risk of an unintended pregnancy; all other women were considered at risk.

‡ Standard error

§ Cell size < 20

are appropriate to the individual seeking services should be emphasized. We found that most postpartum women choose oral contraceptives, condoms, and sterilization although an increasing number of postpartum women are choosing abstinence or progestin implants or injections for contraception.



NATIONAL ASSOCIATION OF SOCIAL WORKERS  
ALASKA CHAPTER

318 11th Street, Juneau AK 99801  
586-4438 Fax: 586-4439  
naswak@alaska.net

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Testimony Regarding

SB 260 - CONTRACEPTIVE COVERAGE ACT OF 1998

Before the  
HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE  
ALASKA SENATE  
March 11, 1998

Presented by  
Angela M. Salerno, ACSW  
Executive Director,  
National Association of Social Workers Alaska Chapter



NATIONAL ASSOCIATION OF SOCIAL WORKERS  
ALASKA CHAPTER

318 4th Street, Juneau AK 99801  
586-4438 Fax: 586-4439  
naswak@alaska.net

*The National Association of Social Workers (NASW) is the world's largest organization of professional social workers. NASW's 155,000 members nationwide and 500 in Alaska work in a wide range of settings at all levels in the public and private sectors. Professional social workers focus on vulnerable populations and promote state and federal policies which enhance the lives of the people we serve.*

**NASW strongly supports SB 260 and urges its passage.**

- This legislation will help working families access the most effective forms of birth control so that they may plan families for happy, healthy, wanted children.
- The most effective methods of contraception such as oral contraceptives and hormonal implants are costly and obtainable only from a health care provider. Working families whose health care plans do not cover contraceptives are denied the most effective methods of family planning.
- Currently, over 60% of health insurance providers exclude coverage for contraceptive drugs. Contraception is the only FDA-approved prescription drug benefit regularly excluded by insurers, even though contraceptives are the most widely used drug for women between the ages of 18 and 44. Ironically, insurers regularly cover abortions and sterilization, measures more costly and extreme than simply covering contraceptives.
- Research done by the Alaska Division of Public Health shows that **half the births in Alaska are unplanned**. Improving private insurance coverage for contraception services will increase access to contraception, reduce barriers to effective family planning, and reduce demand for abortion.
- Unwanted childbearing has been linked with costly consequences for families, children and the state. Unwanted children:
  - experience more mental handicaps and are twice as likely to receive psychiatric care;
  - are more than twice as likely as wanted children to have a record of juvenile delinquency;
  - are six times more likely to receive some form of welfare between the ages of 16 and 21;
  - are at increased risk of suffering abuse, neglect, abandonment and removal to foster homes or institutions.
- Although opponents have argued that insurance costs may rise as a result of this measure, compared to the costs of an unplanned pregnancy, covering contraceptives is a bargain. The costs for prenatal care, labor and delivery and infant care are enormous. If unintended pregnancies are prevented by insurance-covered contraceptives, health care costs will actually decline.

Thank you for the opportunity to provide testimony on this matter.

To Senate HESS

Submitted by:

Cindy Bettine  
Box 870008  
Wasilla, Ak. 99687

I support House Bill #350

I am here to support the idea that health insurance providers cover the cost of contraceptives as prescribed by medical doctors just as they would any other prescription.

I have owned a business for nearly 20 years and employ mostly women. I currently employ 11 people and 8 of those people count on the group health insurance that my company provides as their primary health insurance. I am responsible for the shopping of our company health insurance. The task of finding a provider that covers all aspects of health care for women, such as contraceptive drugs and devices plus other essential preventative care is a challenge. I think this bill would help working women and small business.

My time is limited, but as a woman and an employer of women, I support the end to unwanted pregnancies for all the obvious professional and social reasons.

**Steven Schellong**  
**Mailing address:**  
**733 W 4<sup>th</sup> Ave. #865**  
**Anchorage, AK 99501**

**TO: Senate Health, Education and Social Services Committee**  
Senator Gary Wilken, Chair (Fax: 465-4714)  
Senator Loren Leman, Vice-Chair (Fax: 465-3810)  
Senator Lyda Green (Fax: 465-3805)  
Senator Jerry Ward (Fax: 465-3766)  
Senator Johnny Ellis (Fax: 465-2529)

**CC: Senator Tim Kelly (Fax: 465-3756)**

**DATE: March 10, 1998**

**RE: Senate Bill 260 - contraceptive Insurance Coverage**

Dear Alaska Senators:

I strongly support SB 260. Please pass this bill out of committee.

This bill would require insurance companies to cover contraception costs in some cases. This will help Alaskan families and children.

I believe family planning resources including contraception should be available to all Alaskan families. This bill will reduce the number of unwanted and unplanned babies. Everyone wants that.

Please pass SB 260 out of committee.

Respectfully,

  
Steven Schellong

**Leann Ferry**  
**Mailing address:**  
**733 W 4<sup>th</sup> Ave. #865**  
**Anchorage, AK 99501**  
**ng address:**  
**4<sup>th</sup> Ave. #865**

**TO: Senate Health, Education and Social Services Committee**  
**Senator Gary Wilken, Chair (Fax: 465-4714)**  
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**CC: Senator Tim Kelly (Fax: 465-3756)**

**DATE: March 10, 1998**

**RE: Senate Bill 260 - contraceptive Insurance Coverage**

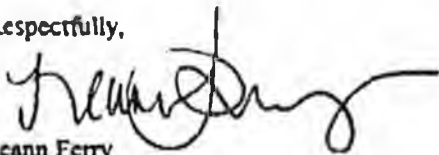
**Dear Alaska Senators:**

I strongly support SB 260 which would require insurance companies to cover contraception costs in some cases. This bill will help Alaskan families and children.

It is imperative that family planning resources including contraception be available to all Alaskan families. It is quite simple: Making contraception affordable and available to all Alaskans will reduce the number of unwanted and unplanned babies.

Please pass SB 260 out of committee. It is the right thing to do.

Respectfully,



Leann Ferry

My husband and I own a small business with 11 employees. We strongly support SB 260. Insurance coverage for contraceptive care makes perfect sense. In the recent past we have seen 4 employees (both male and female) deal with unintended pregnancies. It has been stressful in every case and a financial and time burden for each employee. As<sup>an</sup> employer it is inappropriate to even insinuate how personnel should handle this aspect of their lives. But we can support them by providing medical insurance for contraception which we believe to be basic health care for women.

- In our society it is the woman's responsibility to prevent unintended pregnancies. Women already carry this unfair burden. While most employment-related insurance policies in the United States cover prescription drugs in general, the vast majority do not include equitable coverage for prescription contraceptive drugs and devices. Similarly, while most policies cover outpatient medical services in general, they often exclude outpatient contraceptive services from that coverage. This failure is costly, both for insurers who may have to pay for maternity care, as well as the families whose physical and financial well-being is threatened by unintended pregnancy and lack of access to equitable coverage for contraceptives
- Young women entering the work force frequently start out at minimum wage jobs. This is also when they need contraceptives the most and can least afford to pay. But currently women pay 68% more than men in out-of-pocket medical expenses during their reproductive years.
- Unintended pregnancies can damage a woman's careers. Child care is the pivotal issue. Suddenly having the added cost of child care rapidly erodes the purpose of working. If a young woman already has one infant in child care, the cost second child could force her to quit her job.

Maintaining a well-trained, dependable staff is vital to operating a profitable business. Encouraging planned pregnancies when young adults can afford a family simply makes sense. But small business cannot dictate special coverage for their employees. We simply chose package a, b, or c none of which has birth control coverage.

*It simply becomes cost prohibitive.*

We believe by rectifying the inequity in health care coverage for women, we will be establishing a more stable work force and stronger, healthier families.

*ROBIN SMITH  
14100 JARVI DRIVE  
ANCHORAGE, AK 99515*

Thank you for the opportunity to speak today. My name is Beth Carlson and I am a resident of Alaska living in Eagle River speaking on my own behalf. I support SB 260, which would require insurance carriers to cover prescription and device contraception.

*or appliances*

Currently, women pay 68% more in health care expenses during their reproductive years than do men during those same years. This is due in large part to the costs women must pay for reproductive health care, such as annual gynecological exams and contraception. These health care costs, when not covered by insurance, place a heavy burden on a young family which is struggling with so many other expenses. Requiring insurance companies to cover prescription and device contraception would not only be economically beneficial to the insurance companies, as it keeps them from paying the medical expenses of an unintended pregnancy, it will also be economically beneficial for young women and couples as it makes contraception, especially that which is most effective and thus, most expensive, affordable and thus, available.


This bill will also benefit Alaska businesses. In a one-year time period, 85% of women in their child-bearing years who are sexually active but do not use contraception become pregnant as opposed to only 3 to 6% of such women who use oral contraceptives. As any employer knows, a pregnancy, whether planned or unplanned, affects worker productivity. Many women experience morning sickness, which causes them to be late for or miss work entirely on any number of days. There are the "required" doctor's visits throughout the pregnancy and possible time off due to mandatory bedrest for conditions such as preeclampsia. Obviously, there is eventually time off for the birth itself and maternity leave. Through all this, the particular employee's work is farmed out to others in the workplace or a temp is brought in. In either situation, this usually means the work is not completed as effectively or efficiently.

Nor is the effect on worker productivity limited to only the woman. The husband's productivity can be affected as well by attending doctor's visits and the birth and taking time off for paternity

leave. In addition, the husband's productivity is affected by the stress of a pregnancy involving complications (such as preeclampsia) or the stress of an unintended pregnancy which gives rise to financial difficulties.

The point of all this is not to say that pregnancy is a bad thing. Of course, it's not. The point is simply to note that businesses are affected by pregnancy. Requiring insurance carriers to cover the costs of contraception will make those contraceptive methods which are most effective and thus, most expensive, available to more women. This will almost certainly decrease the number of unintended pregnancies, which will benefit not only those young women and couples who are not yet prepared to have a child, but also the businesses that employ these women and couples.

Requiring insurance companies to cover the costs of contraception, via either prescription or device, is another important step toward the goal of ensuring that every pregnancy and, thereby, every child, is wanted and loved from the moment of conception. I urge you to support SB 260.

  
19632 Delphin Circle  
Eagle River, AK 99577

Sandra Arnold  
17160 Baronof Avenue  
Eagle River, AK 99577  
(907) 694-1716

Date: March 10, 1998

To: Senate Health, Education and Social Services Committee  
Senator Gary Wilken, Chair  
Senator Loren Leman, Vice-Chair  
Senator Lyda Green  
Senator Jerry Ward  
Senator Johnny Ellis

*For 3/11 hearing.*

cc: Senator Randy Phillips/District L

RE: SB 260 - Contraceptive Insurance Coverage

Dear Honorable Alaska Senators:

I am an Alaskan woman who is very concerned about healthy families and Alaska's children, and I pay attention to legislative actions regarding these issues. I am writing in strong support of SB 260, which would require insurance companies to cover contraception costs in some cases.

I believe this idea to be a smart and immensely popular one, and if passed will help Alaskan families and most importantly, Alaska's children. We seems to be placing increasing restrictions on abortion choices, while at the same time reducing welfare benefits for mothers and their unplanned children. You can't have it both ways.

Providing a means for affordable contraception will help reduce unwanted/unplanned babies, thus fostering healthy births when families are financially and emotionally better prepared, and lowering public assistance costs in the long run.

I urge you to pass SB260 out of committee. Thank you.

Sincerely,



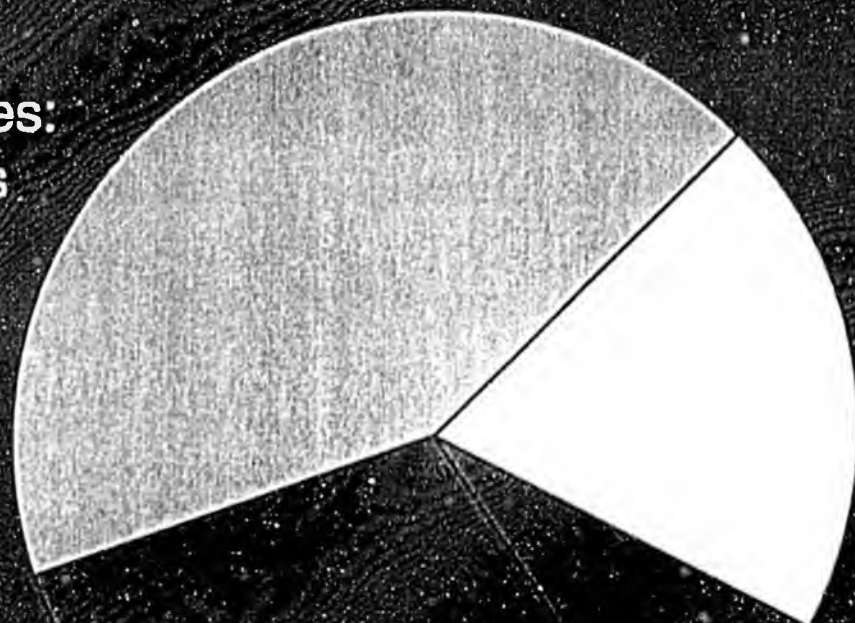
*Senate Bill 260, by Senator Ellis  
Contraceptive Coverage Act of 1998*

***Presented to the Health, Education and  
Social Services Committee***

***March 11, 1998***

# *Pregnancies by Outcome—U.S. 1987*

43%  
Intended  
Pregnancies:  
Live Births



20%  
Mistimed Pregnancies:  
Live Births

29%  
Unwanted / Mistimed:  
Abortions

8%  
Unwanted Pregnancies:  
Live Births

## *In Absolute Numbers . . .*

*Of 5.4 million pregnancies, 3.1 million were unintended at the time of conception*

*Of unintended pregnancies, 1.5 million resulted in a live birth and 1.6 million ended in abortion*

*Only 2.3 million pregnancies were intended at the time of conception and resulted in a live birth*

*Intendedness:  
An issue for all U.S. couples*

*57 % of all pregnancies are unintended:*

*50 % for women aged 20 - 34*

*75 % for women over age 40*

*40 % for married women*

*88 % for never-married women.*

*75 % among women at/below FPL*

*45 % among women above FPL*

*And for Alaska couples . . .*

***Pregnancy Risk Assessment Monitoring System  
(PRAMS) data indicate:***

*41% of births were unintended pregnancies*

*90% of women who had an unintended pregnancy were not using—or were using improperly—a birth control method*

*Unintended pregnancy is costly:*

*Family costs:*

*abuse, poverty, divorce*

*Social costs*

*lower paying jobs, higher unemployment,  
greater likelihood of welfare receipt, etc..*

*And economic costs . . .*



*Pregnancy care costs:  
Managed care average – \$ 3,795*

*Ectopic pregnancy \$ 4,994*

*Induced abortion \$ 416*

*Spontaneous abortion \$ 1,038*

*Term pregnancy \$ 8,619*

*Mother \$ 5,512*

*Baby \$ 3,107*

*The Economic Value of Contraception: Comparison of  
15 Methods, J. Trussell et al., AJPH April '95*

# *Consequences for unplanned baby*

*Less chance to avoid or manage known  
genetic and other known risks*

*More toxic exposure (alcohol, smoking)*

*Higher risk of low birthweight*

*Effects from late/inadequate prenatal care*

*Excess risk for infant death*

*Poor child health and development*

*The Best Intentions, IOM, 1995*

# *Consequences for Family Formation*

*For births from unintended pregnancy:*

*Couples who marry after conception are over 3 times as likely to divorce*

*Fathers more likely to be absent*

*Unplanned children are more likely to drop out of school, to have encounters with the criminal justice system, and to become teen parents*

## *Consequences, continued . . .*

*Higher rates of maternal depression*

*Parents less likely to achieve educational, financial and career goals*

*Abortion (Rate in U.S. is 2 to 4 times higher than other countries)*

*Greater risk of physical abuse of mother*

*Greater risk of child abuse/neglect*



*Despite nearly universal drug coverage,  
many health plans exclude contraceptives*

*97% offer prescription drug coverage but...*

*49% fail to cover contraceptive methods*

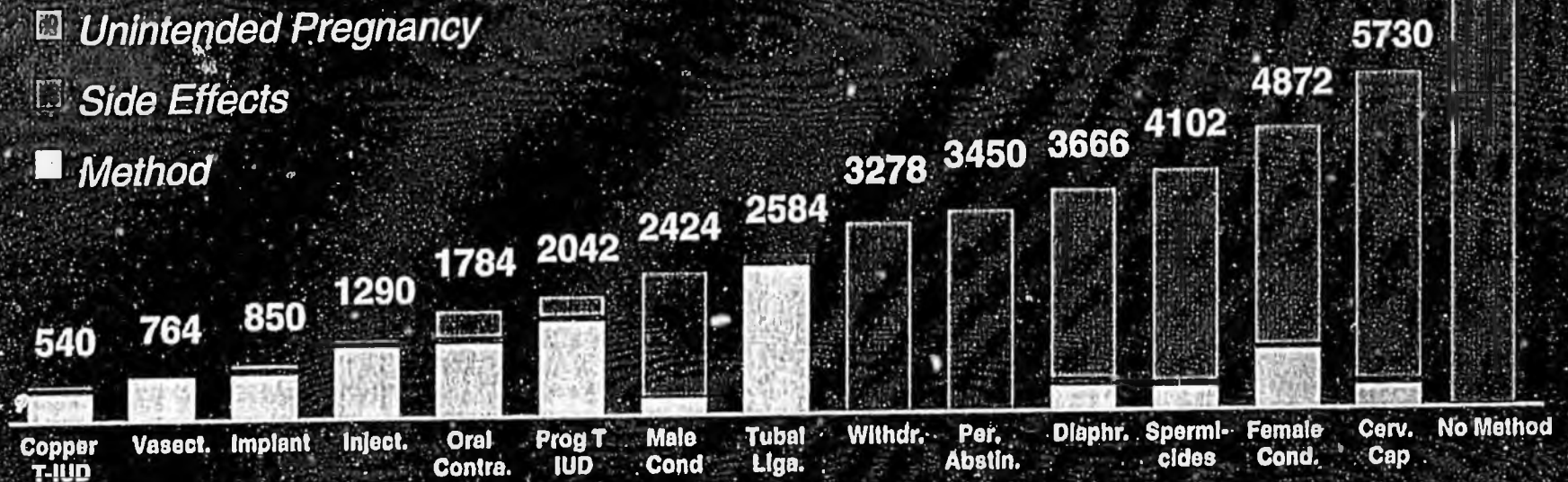
*Only 15% cover all five reversible methods  
(IUD, diaphragm, implants, injections and oral  
contraceptives)*

*Many policies exclude contraceptives even if  
they are prescribed for a medical condition  
other than birth control*

*Uneven and Unequal, AGI, 1993*

# Medical costs over 5 years:

Contraceptives \$ 540 – \$ 5,730  
 "No method" \$ 14,663



*Estimated cost of  
contraceptive coverage:*

*Average out of pocket cost for oral  
contraceptives is \$25 per month*

*Adding oral contraceptives to a drug card plan  
increases employee cost by about \$16.20 per  
year, or \$1.35 per month*

*Health Insurance Association of America memorandum to the State  
of California Assembly Insurance Committee, April 2, 1996.*

## *Women pay more and get less . . .*

*“On average, women of childbearing age pay more for their health care than their male counterparts. Women between the ages of 15 and 44 pay 68 percent more in out-of-pocket medical costs, with reproductive health services accounting for much of the difference”*

*Women's Research and Education Institute, Women's Health Insurance Cost and Experiences 1994*

## *In Sharp Contrast . . .*

*Most insurance policies offer full coverage for  
drugs and devices for men*

*drugs to treat prostate, penile, testicular or  
urogenital diseases*

*Medication for male impotence*



## *In summary:*

- *Pregnancy intention matters*
  - *Women, men, children, families and communities are affected*
- *Insurance coverage is not adequate or equitable*
- *Family Planning saves money*
  - *All contraception is cost effective*
  - *Money is already being spent on consequences of unintended pregnancy*
- *Support for family planning is broad*

*If all working families had access to  
contraception...*

*All children would be wanted*

*Poverty and welfare dependence  
would be reduced*

*Abortion would be reduced dramatically*





*“The starting point of  
effective child abuse prevention  
is pregnancy planning.”*

*C. Everett Koop, 1986*