



February 28, 2011

Office of Consumer Information and Insurance Oversight
U.S. Department of Health and Human Services
Attention: HHS-OS-2010-002, Room 445-G
200 Independence Avenue, SW
Washington, DC 20201

Re: Comments in response to a request for information regarding value-based insurance design in connection with preventive care benefits

To Whom It May Concern:

In response to the solicitation from multiple agencies for information regarding value-based insurance design in connection with preventive care benefits, The National Campaign to Prevent Teen and Unplanned Pregnancy respectfully submits comments for your consideration.

The National Campaign to Prevent Teen and Unplanned Pregnancy is a research-based, bipartisan and non-profit group that was founded in 1996. Our mission is to improve the lives and future prospects of children and families, and in particular, to help ensure that children are born into stable families who are committed to and ready for the demanding task of raising the next generation. Our specific strategy is to prevent teen and unplanned pregnancy, especially among single, young adults. We support a combination of responsible values and behavior by both men and women and responsible policies in both the public and private sectors. If we are successful, child and family well-being will improve, there will be less poverty, more opportunities for young men and women to complete their education or achieve other life goals, fewer abortions, and a stronger nation.

Family planning, like prenatal care, is a cluster of services. The specific components of family planning are variously defined to include pregnancy planning and prevention, which covers the provision of the full range of FDA-approved contraceptives and related outpatient services, pre-conception care, selected fertility services, screening and care for sexually transmitted diseases, and postpartum care including services that help to achieve optimum birth spacing. In many of these areas, family planning care often includes counseling and education to ensure method adherence, as well as anticipatory guidance and, in particular, assessment and screening for significant problems such as cervical and breast cancer. As such, family planning is a high-value, cost-effective preventive service and a value-based insurance design framework should ensure and promote access to it. Research consistently demonstrates that family planning reduces maternal mortality, improves overall maternal health, and is a major contributor to women's broader well-being. Family planning also contributes to overall infant and child well-being and, of course, reduces the prevalence of abortion.

In addition to these benefits, family planning is also highly cost-effective. Contraceptive use saves nearly \$19 billion in direct medical costs each year.¹ For every dollar invested for

contraception, the nation saves \$3.74 in Medicaid expenditures that otherwise would have been needed to provide pregnancy-related care.² Nationally, the annual per-client cost for contraceptive care in 2008 was estimated to be \$257. By comparison, the national average cost for one Medicaid-covered birth (including prenatal care, delivery, postpartum care and infant care for one year) was \$12,613.³ An analysis conducted by The Brookings Institution concluded that three types of initiatives designed to reduce unintended pregnancy—a media campaign that encouraged the use of condoms, a teen pregnancy prevention program that discouraged sexual activity and provided information about contraception, and expanded access to Medicaid-subsidized contraceptives—have favorable cost benefit-cost ratios and are all worthy of public investment. They also noted that of the three policies evaluated, the Medicaid expansion was the most expensive but had the most favorable cost-benefit ratio.⁴

In addition to public sector savings, there are also savings in the private sector. A study by Mercer Human Resource Consulting and Marsh, Inc. found that the cost of offering family planning coverage to employees is minimal, accounting for less than one percent of total employee coverage costs. These costs are easily offset by savings to the employer due to averted unplanned births.⁵ In fact, as part of its best practice recommendations for Maternal and Child Health, the National Business Group on Health recommends that employers offer services to prevent unintended pregnancy, including coverage of all FDA-approved prescription methods, at no cost to employees based on evidence that they result in cost savings to companies.⁶

Unfortunately, many still struggle with the cost of contraception. A recent poll found that one in three women voters (34%) report having struggled with the cost of prescription birth control at some point. This figure rises dramatically among specific demographic groups. Fifty-five percent of women aged 18–34 have struggled with the cost of prescription birth control.⁷ It is also important to note that fully half of all pregnancies in the United States are unplanned as reported by women themselves.⁸ With the costs of unplanned pregnancy far exceeding that of the cost of providing contraception, we strongly encourage the elimination of cost barriers to contraception for patients in order to encourage use of this high value service.

Thank you again for the opportunity to submit comments. If you have any questions or need additional information, please contact Lisa Shuger, Director of Public Policy at 202-478-8576 or lshuger@thenc.org.

Sincerely,



Sarah S. Brown
CEO

¹ National Campaign to Prevent Teen and Unplanned Pregnancy. (2009). *The Direct Medical Costs of Unplanned Pregnancy and Cost Effectiveness of Preventing Unplanned Pregnancy*. Washington, DC: Suellentrop, K.

² Frost JJ, Henshaw SK and Sonfield A, *Contraceptive Needs and Services: National and State Data, 2008 Update*, New York: Guttmacher Institute, 2010.

³ Ibid.

⁴ Sawhill I, Thomas A, Monea E. An Ounce of Prevention: Policy Prescriptions to Reduce the Prevalence of Fragile Families. *Future of Children*. 2010;20(2):133-55.

⁵ *Women's Health Care: Understanding the Cost and Value of Contraceptive Benefits*, Mercer Human Resources Consulting and Marsh Inc. (2005).

⁶ Campbell KP, editor. *Investing in Maternal and Child Health: An Employer's Toolkit*. Washington, DC: Center for Prevention and Health Services, National Business Group on Health (2007).

⁷ Poll of 1,147 voters conducted June – July 2010 by Peter D. Hart Research Associates.

⁸ National Campaign to Prevent Teen and Unplanned Pregnancy. (2007). *Unplanned Pregnancy Among 20-Somethings: The Full Story*. Washington, DC: Author.