Unprotected Nation
The Financial and Economic Impacts of Restricted Contraceptive and Sexual Health Services

Executive Summary
to Report by Development Economics

January 2013
About the Author

Stephen Lucas is an economist with 20 years’ experience in economic, demographic and social policy and regeneration consulting. His expertise lies in economic impact assessment, economic regeneration, feasibility studies and project appraisal. Stephen is a co-founder and Managing Director of Development Economics Limited, a company that specialises in the economics of regeneration and social development policy. He regularly advises public and private sector clients and partnerships on economic strategy, project feasibility, impact assessment and funding.

Recent government clients include: the Department for Communities and Local Government (DCLG), the Department for Work and Pensions (DWP) and Scottish Government. Stephen has undertaken more than 50 Green Book-compliant economic appraisals and cost-benefit analyses of major infrastructure and development projects over the past eight years, representing total public sector investment of well over £10 billion. He also works extensively with the private sector, where recent clients have included Scottish Widows, Aviva, Visa Europe, Peel Holdings and Gladman Developments.
Contents

Foreword .................................................................................................................. 4

Executive Summary ................................................................................................ 5

   Methodology ......................................................................................................... 6
   NHS Costs ............................................................................................................... 6
   Public Sector Costs ................................................................................................ 9
   Combined Costs ..................................................................................................... 10
   Impacts on Earnings and Poverty ......................................................................... 11
   Conclusions ........................................................................................................... 12

Commentary ............................................................................................................. 13

References ............................................................................................................... 14

Production of this report was funded and developed in partnership with Reckitt Benckiser Healthcare (UK) Ltd. Brook and FPA retained complete editorial control.
Foreword

Austerity measures have had an impact on our communities, our health, our education system and our pockets. The nation is in a period of great difficulty and everyone is feeling the pinch.

Last year, we learnt from the Advisory Group on Contraception (AGC) about restrictions and cuts to contraceptive and sexual health services. As the UK’s leading sexual health charities, Brook and FPA commissioned this report on the long-term financial implications of these cuts.

The results have been startling. Policies that cut and restrict contraceptive and sexual health services now will result in greater numbers of unintended pregnancies and sexually transmitted infections (STIs). This will cost billions more in health and welfare expenditure in the future.

But it doesn’t have to be that way. A policy focus in the past on teenage pregnancy, chlamydia screening, sexual health and HIV means we know what to do to improve sexual health in the UK. That’s why we’ve launched the XES – We Can’t Go Backwards campaign to fight cuts and restrictions to services.

Ensuring good access for all to contraceptive choices and accurate, evidence-based information on sexual health is essential if we are to improve the nation’s health and reduce the cost of unintended pregnancy and STIs. We mustn’t return to a time when such choices didn’t exist.

XES – We Can’t Go Backwards and this report show what could happen if we do.
Executive Summary

Access to the full range of contraceptive methods at a location and time that meets the needs of women is vital to minimise the risks and consequences of unintended pregnancy. But according to a report\(^1\) published in April 2012 by the Advisory Group on Contraception (AGC), 3.2 million women aged between 15 and 44 experience restrictions in obtaining sexual health and contraceptive services.

Their research found that the average abortion rate was around 9.7% higher in areas where services were restricted, compared with areas with no restrictions. This provides an indication that restrictions to contraceptive services could result in significantly more unintended pregnancies.

Concerned by these findings, sexual health charities Brook\(^2\) and FPA\(^3\) launched the XES—We Can’t Go Backwards campaign to demonstrate the importance of high-quality contraceptive and sexual health services.

Unprotected Nation—The Financial and Economic Impacts of Restricted Contraception Services was commissioned as part of the XES campaign, and considers the potential financial consequences of increased restrictions on access to contraceptive and sexual health services in the UK. To understand this position in better detail, three scenarios are evaluated. These are based on current, improved and worsened access to services.

Key findings based on maintaining current access levels of contraceptive and sexual health services show that, between 2013 and 2020, unintended pregnancy and STIs could cost the UK between £84.4 billion and £127 billion (Table S4) comprising:

- £11.4 billion (cumulative costs) of NHS costs as a result of unintended pregnancy and STI costs (Tables S1 and S2)
- between £73 billion and £115.3 billion (cumulative costs) of wider public sector costs (Table S3).

If cuts continue and there is worsened access— with more people being denied access to contraceptive methods and information—the additional cost to the NHS plus wider public sector costs could total between £8.3 billion and £10 billion (Table S4). To put this in context the total NHS budget for 2012-13 was £108.8bn\(^4\).

If on the other hand there is improved access, cost savings to the NHS and public sector of between £3.7 billion and £5.1 billion could be made compared to the current access scenario (Table S4).
Methodology

To generate the findings presented in this report:

• an extensive review was undertaken of national and international trends in unintended pregnancy and STI rates, the health spending associated with these, and with the children born as a result of unintended pregnancy;

• a review was undertaken of available data on rates and trends for conceptions, abortions, miscarriages and STIs, and of Office for National Statistics projections of the UK population;

• a range of plausible future scenarios for unintended pregnancy and the various alternative outcomes (abortions, live births etc) was developed;

• these scenarios were used to generate estimates of future health-related and non-health public expenditure.

Three scenarios were used to consider the impact of restrictions to contraceptive services:

i. the **current access scenario** considers the impact of maintaining (2011) rates and trends in unintended pregnancy and STIs;

ii. an **improved access scenario** considers the impact of removing restrictions to contraceptive services, or improving the prevention of STIs;

iii. a **worsened access scenario** considers the potential impact of increasing restrictions to contraceptive advice and methods, or increased diagnosis of STIs.

NHS Costs

Unintended Pregnancies

Numbers of abortions, miscarriages and live births expected under each of the three scenarios, and the costs of these, were considered and these are shown in Table S1 overleaf.

Based on **current access** levels, the annual costs of unintended pregnancies to the NHS between 2013 and 2020 will be £662 million; a cumulative total of more than £5.2 billion over 8 years (Table S1).

To put this figure in context, the costs for 2013–2015 alone amount to more than £2 billion, representing just over 10% of the 20 billion of efficiency savings the NHS needs to find by 2015.⁵

If there was an **improved access** scenario with fewer restrictions on access to contraceptive services, the cost of unintended pregnancies to the NHS would be reduced by £24 million each year; cumulative savings of almost £196 million between 2013 and 2020.

If there is **worsened access**, these costs could rise by around £299 million (6%) by 2020.
STIs (excluding HIV)

STI diagnoses in England increased by 49% between 2002 and 2011, though this increase can partly be accounted for by improvements in surveillance and diagnosis. For example, the significant increase in the number of cases of chlamydia that occurred in 2008 was largely the result of the introduction of more efficient methods of surveillance.

Around 510,000 new STI diagnoses were made in the UK in 2011, with estimated treatment costs of £620 million.

This report considers three scenarios for future STI rates in the UK, as follows:

If current rates of infections continue between 2013 and 2020, total public health spending of around £6.04 billion can be expected. **Worsened access** to services could lead to an increase in public health spending of £314 million to £6.35 billion, while **improved access** to services could result in cost savings of around £1.13 billion by 2020. (Table S2 overleaf)
Combining the Impact of Unintended Pregnancy and STIs

If there is worsened access, the combined costs to the NHS of unintended pregnancy and STIs could be as high as £781 million by 2020. (Tables S1, S2 and post-natal healthcare figures from Table S3)

Conversely, improved access to services could result in savings of up to £1.45 billion by 2020. (Tables S1, S2 and post-natal healthcare figures from Table S3)

### Table S2: Summary of Cumulative Scenario STI Costs, 2013–2020, Scenarios 1–3 (based on 2011 prices)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Chlamydia</td>
<td>£2,320m</td>
<td>£1,518m</td>
<td>£2,560m</td>
</tr>
<tr>
<td>Syphilis</td>
<td>£13m</td>
<td>£11m</td>
<td>£14m</td>
</tr>
<tr>
<td>Gonorrhoea</td>
<td>£34m</td>
<td>£34m</td>
<td>£35m</td>
</tr>
<tr>
<td>Anogenital warts</td>
<td>£1,568m</td>
<td>£1,363m</td>
<td>£1,601m</td>
</tr>
<tr>
<td>Anogenital herpes</td>
<td>£313m</td>
<td>£273m</td>
<td>£338m</td>
</tr>
<tr>
<td>Other STIs</td>
<td>£1,792m</td>
<td>£1,715m</td>
<td>£1,807m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£6,040m</strong></td>
<td><strong>£4,914m</strong></td>
<td><strong>£6,354m</strong></td>
</tr>
</tbody>
</table>

*Source: Development Economics*
Public Sector Costs

The medical costs of unintended pregnancy and STIs pale almost into insignificance compared to the wider public sector costs.

For example, the cumulative medical costs based on current levels of access between 2013 and 2020 are an estimated £5.294 billion (Table S1), while public sector costs range from £73.079 billion to £115.363 billion (Table S3).

Though this report considers costs between 2013 and 2020, education costs for children from unintended pregnancies apply to age 18, and could range from £98.7 billion (with worsened access) to £90.5 billion (with improved access).\(^8\) Long-term spending requirements associated with unintended pregnancies – such as policing, justice and antisocial behaviour – are not covered by this report.

| Table S3: Cumulative Wider Public Sector Cost, Scenarios 1–3, 2013–2020 (based on 2011 prices) |
|---------------------------------------------------|---------------------------|---------------------------|---------------------------|
| **Expenditure area** | **Scenario 1** | **Scenario 2** | **Scenario 3** |
|                     | **Current Access** | **Improved Access** | **Worsened Access** |
| **Minimum** | **Maximum** | **Minimum** | **Maximum** | **Minimum** | **Maximum** |
| Social welfare | £52,347m | £66,996m | £50,488m | £64,588m | £58,993m | £74,147m |
| Personalised social services | £5,764m | £23,650m | £5,586m | £22,933m | £6,001m | £24,602m |
| Education | £8,717m | £10,374m | £8,525m | £10,145m | £9,335m | £11,109m |
| Post-natal healthcare | £2,264m | £4,121m | £2,194m | £3,993m | £2,357m | £4,290m |
| Housing | £1,658m | £7,894m | £1,607m | £7,650m | £1,726m | £8,219m |
| Anti-poverty programmes | £2,328m | £2,328m | £2,266m | £2,266m | £2,409m | £2,409m |
| **Total** | £73,079m | £115,363m | £70,665m | £111,576m | £80,821m | £124,776m |

Source: Development Economics
Combined Costs

Compared to the current access scenario, the additional cost of worsened access to contraceptive and sexual health services could lie between £8.3 billion and £10.0 billion by 2020, while improved access could save between £3.7 billion and £5.1 billion. (Table S4)

By 2020, providing services to support children from unintended pregnancy could account for between 10% and 15% of the UK’s anticipated social welfare spending.

£3.7bn–£5.1bn could be saved by 2020 by improving access to contraceptive and sexual health services.

Table S4: Cumulative Overall Public Sector Costs, Unintended Pregnancies and STIs, Scenarios 1–3, 2013–2020 (based on 2011 prices)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Scenario 1</th>
<th>Scenario 2</th>
<th>Scenario 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current Access</td>
<td>Improved Access</td>
<td>Worsened Access</td>
</tr>
<tr>
<td>Expenditure area</td>
<td>Minimum</td>
<td>Maximum</td>
<td>Minimum</td>
</tr>
<tr>
<td>Abortions, miscarriages, births</td>
<td>£5,294m</td>
<td>£5,294m</td>
<td>£5,098m</td>
</tr>
<tr>
<td>Wider public costs</td>
<td>£73,079m</td>
<td>£115,363m</td>
<td>£70,665m</td>
</tr>
<tr>
<td>STIs</td>
<td>£6,040m</td>
<td>£6,040m</td>
<td>£4,914m</td>
</tr>
<tr>
<td>Total</td>
<td>£84,413m</td>
<td>£126,697m</td>
<td>£80,677m</td>
</tr>
</tbody>
</table>

Source: Development Economics
Impacts on Earnings and Poverty

This report also considers the potential impact of unintended motherhood on the medium to long-term earnings of the mother. The table below summarises the potential loss of earnings under each of the three scenarios, including an estimate of lost income tax and national insurance contributions.

Table S5: Potential Loss of Earnings and Income-related Tax Revenues, 2013–2020 (based on 2011 prices)

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Aggregate Annual Lost Earnings by 2020</th>
<th>Cumulative Lost Earnings 2013–2020</th>
<th>Cumulative Lost Tax Revenues by 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 1 Current Access</td>
<td>-£392m</td>
<td>-£2,511m</td>
<td>-£803m</td>
</tr>
<tr>
<td>Scenario 2 Improved Access</td>
<td>-£370m</td>
<td>-£2,421m</td>
<td>-£775m</td>
</tr>
<tr>
<td>Scenario 3 Worsened Access</td>
<td>-£424m</td>
<td>-£2,633m</td>
<td>-£843m</td>
</tr>
</tbody>
</table>

Source: Development Economics

If current rates of unintended pregnancy continue, cumulative earnings lost between 2013 and 2020 will total just over £2.51 billion. Worsened access would mean a rise in lost earnings of £122 million by 2020, while improved access would mean a £90 million reduction in lost earnings.

This estimated loss of earnings could have a knock-on impact on the UK economy of between £3.52 billion and £3.81 billion from 2013 to 2020.10

Under the current access scenario, cumulative lost income tax and national insurance contributions would be around £803 million by 2020. If restrictions increase, losses could rise by £40 million by 2020; if access is improved, lost revenues will fall by £28 million.
Conclusions

This report was prompted by concerns that mounting financial pressures combined with imminent changes to commissioning structures are leading to reduced access to contraception and sexual health services around the UK. Our research clearly shows the significant cost of pursuing this approach.

The financial implications of unintended pregnancy and STIs go far beyond short-term medical costs: they have a major impact on the medium- to long-term financial health of our country, and the physical health of its people.
Commentary

Anne Connolly, GP: Ridge Medical Practice, Bradford and Chair of the Primary Care Women’s Health Forum

Those of us who work on the front line of primary care and contraceptive services should be concerned about the impact of the imminent changes to commissioning, not least because decisions based in cost-efficiency will have direct implications for people’s wellbeing. A significant amount of work has been undertaken since the teen pregnancy reduction target was set in 1998, with good results, but we continue to have high rates of unplanned pregnancies and increasing STIs due to the changing pattern of sexual behaviour.

Restricted contraception services are already in evidence across the UK, with visible consequences. Recent work by the AGC demonstrated that in areas where restrictions on contraceptive availability are present, abortion rates are 9.7% higher than areas with no restrictions.

This report reveals for the first time just how far-reaching these consequences are, and makes clear that continuing the progress made by decades of good work requires investment – including better sex and relationships education in schools, and access to a full range of contraceptive methods through a number of providers.

This report by Brook and FPA not only makes stark reading for clinicians concerned about the impact of increased restrictions on people’s lives, but is also extremely relevant to those who are making the financial decisions, as the projected long-term ramifications for NHS and welfare budgets testify.

The projected costs for continuing to increase restrictions are frightening, but if we are brave enough to invest money at a time when there is pressure to disinvest, and to ensure the money is spent wisely, this report provides compelling evidence that there are significant cost savings, as well as quality-of-life improvements, as the reward.
References

1. *Sex, Lives and Commissioning* identified that around one third of women aged between 15 and 44 in England don’t have access to comprehensive contraceptive and sexual health advisory services.

2. Brook is a registered charity that provides free sexual health services and advice to people under 25.

3. FPA, formerly the Family Planning Association, is a charitable organisation whose mission is to educate and inform about matters to do with sexual health and sexual health services in the UK.

4. [www.nhsconfed.org/priorities/latestnews/Pages/Budget-2012-key-points-NHS.aspx](http://www.nhsconfed.org/priorities/latestnews/Pages/Budget-2012-key-points-NHS.aspx).


