

WHAT'S NEW WITH KIDS?

April 2007

Site of the Month

The average teen birth rate in Nevada decreased from 50.0 per 1,000 females ages 15 to 19 for 2000-2002 to 46.6 for 2003-2005. A decrease in the decline in the teen birth rate should ultimately lower taxpayers' costs due to decreased use of public programs by the teens' children and decreased earnings by the teenage mother, their partners, and their children. This relationship was investigated by Dr. Saul Hoffman of the University of Delaware whose findings were published in a report titled *By the Numbers*, which is available on the National Campaign to Prevent Teen Pregnancy Web site: www.teenpregnancy.org/costs. Additional materials are also available on the site, such as *By the Numbers* state fact sheets and an online Numbers Calculator.

In the *By the Numbers*, Dr. Hoffman reports the total costs associated with teen childbearing (teens 19 and under) to taxpayers. He estimated that taxpayers' (federal, state, and local) cost of teen childbearing in 2004 dollars was about \$9.1 billion which included "\$1.9 billion for increased public-sector health-care costs, \$2.3 billion for increased child welfare costs, \$2.1 billion for increased costs for state prison systems, and \$2.9 billion in lost revenue due to lower taxes paid by the children of teen mothers over their own adult lifetimes." The average annual cost associated with a child born to a teen mother was \$1,430. A discussion of how the teen childbearing costs for the nation and the states were estimated are provided in the appendices of the report.

By the Numbers state fact sheets report the public costs of teen childbearing for the states. For Nevada, the total cost to taxpayers was \$66,876,000. Fifty-four percent was federal costs and 46 percent was state and local costs. The average annual cost associated with a child born to a teen mother age 17 and under was \$3,040, placing Nevada 49th among the states (1 = highest). The cost savings from the 31.4 percent decline in its teen birth rate from 1991-2004 saved Nevadans \$37 million.

The online *By the Numbers* Numbers Calculator requires the number of births to teens ages 19 and under to estimate the costs of teen childbearing for a specific county or city. For that data I contacted the Nevada Department of Human Resources (NDHS), Health Division, Bureau of Planning and Statistics. Using their data, I was able to obtain county teenbearing cost estimates. The results are presented in a table on the following page.

To calculate the costs of teen childbearing, for example, in Carson City:

1. Determine the proportion of teen births (teen births in Carson City/teen births in Nevada)
 $93 \text{ divided by } 3,855 = .02413$
2. Multiply the proportion of teen births in Carson City by the state cost of teen childbearing
 $.02413 \times \$66,876,000 = \$1,613,717$ (approximately)

**Costs* of Teen Childbearing, Ages 19 and Under,
by Nevada County: 2004**

County	Number of Births	Cost of Teen Childbearing
Carson City	93	1,613,351
Clark County	2849	49,424,053
Churchill County	48	832,697
Douglas County	29	503,088
Elko County	84	1,457,220
Esmeralda County	1	17,348
Eureka County	1	17,348
Humboldt County	27	468,392
Lander County	3	52,044
Lincoln County	5	86,739
Lyon County	69	1,197,002
Mineral County	8	138,783
Nye County	44	763,306
Pershing County	11	190,826
Storey County	2	34,696
Washoe County	572	9,922,976
White Pine County	9	156,131
Nevada	3855	66,876,000

Note: In calculating Nevada’s total costs for the report, Hoffman used 3,862 births (the number reported by the National Center for Health Statistics), which varies slightly from the 3,855 that I used (the number reported by NDHS). Because the county-level costs are approximations and the two sets of numbers are fairly close the research and evaluation manager at National Campaign to Prevent Teen Pregnancy said to use the state numbers.

*According to Hoffman, “The cost of a teen birth is then the *increased* costs associated with the net effect of a teen birth on a wide range of outcomes. This cost measure. . . .includes the costs that could potentially be averted if a first birth were delayed. Alternatively, these are the benefits of cost savings of delaying the age of first birth.” Saul D. Hoffman, October 2006, *By the Numbers: The Public Costs of Teen Childbearing*, p. 8., The National Campaign to Prevent Teen Pregnancy. Source: National Campaign to Prevent Teen Pregnancy Web site, By the Number Calculator, available <online at <http://www.teenpregnancy.org/costs/calculator.asp>> as of 3/16/07.