

Economic Impact of Teen Births in Mississippi

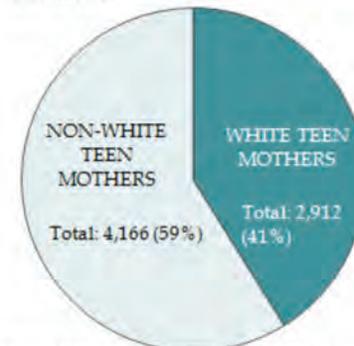
Key Background on Teen Births in Mississippi:

In 2009, a total of 7,078 infants were born to women under the age of 20. Approximately 1/3 of those births were to women 17 years of age or younger.

In an effort to measure the broader economic impact of teen births in Mississippi, this piece provides background and analysis of the tax payer costs resulting from teen births.

State and county-level costs are developed using teen births for each area. These tax payer costs are conservative, annual estimates for 2009, the most recent year available.

FIGURE 1. TEEN BIRTHS IN MISSISSIPPI 2009 by race



Source: MS Department of Health, Teenage Vital Statistics Data.

Understanding Tax Payer Costs:

Tax payer costs include lost tax revenue from lower wages and consumption among both teen parents and their children as adults, medical care, incarceration of children as young adults, costs of increased foster care and child welfare services and public assistance. The taxpayer costs listed are those experienced relative to the cost if the mother delayed child bearing to age 20 or 21. Costs are determined separately for mothers under age 18 and for mothers age 18 & 19 (Please see methods section at end for more).

It is important to note that the majority of estimated public sector costs of teen childbearing are associated with outcomes for the children of teen mothers during their childhood and young adult years. A large portion of the costs are associated with the added costs of a higher number of children in foster care and the net impact on the prison population. The impact of public assistance expenditures related to teen births is modest compared to tax revenue losses and the costs of foster care and criminal justice.¹

Overall Cost of Teen Births in Mississippi:

In Mississippi in 2009, a total of 7,078 infants were born to 15–19 year olds, for a live birth rate of 64.1 per 1,000 women in this age group, compared to 39 out of every 1,000 nationally.¹ High rates of teen births in the state have an impact on children and teen parents, but there are also broader public economic costs for teen births. In 2009, teen births in Mississippi cost tax payers \$154.9 million dollars (see box for details on cost).

County-level estimates of tax payer costs have also been developed using the 2009 birth rate in each county, see table 2.

TABLE 1. COSTS AND BACKGROUND ON TEEN BIRTHS IN MISSISSIPPI AND U.S., 2009

TEEN BIRTH RATE		MISSISSIPPI TOTAL TEEN BIRTHS	MISSISSIPPI ESTIMATED ANNUAL TAX PAYER COSTS
U.S.	Mississippi		
39	64.1	7,078	\$154,895,580

Sources: MS Department of Health Teenage Vital Statistics Data. Costs generated by MEPC using methodology from Hoffman, S. D., & Maynard, R. A. (2008). *Kids having kids* (2nd edition). Washington, DC: Urban Institute Press

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TABLE 2. COSTS AND BACKGROUND ON TEEN BIRTHS BY COUNTY, MISSISSIPPI, 2009

COUNTY	TOTAL TEEN BIRTHS 2009	TEEN BIRTH RATE 2009	ESTIMATED ANNUAL TAX PAYER COSTS
Adams County	86	76.5	\$2,026,035
Alcorn County	85	79.2	\$1,537,875
Amite County	20	49	\$526,500
Attala County	55	85.8	\$958,050
Benton County	16	50.7	\$393,210
Bolivar County	119	79.8	\$2,460,915
Calhoun County	44	98.6	\$1,116,315
Carroll County	13	41.8	\$328,230
Chickasaw County	57	87.2	\$1,164,645
Choctaw County	22	61.2	\$523,170
Claiborne County	29	45.5	\$581,490
Clarke County	35	60.6	\$711,450
Clay County	39	51.7	\$634,815
Coahoma County	121	105.7	\$3,437,235
Copiah County	94	76	\$1,872,765
Covington County	54	67.5	\$1,099,665
Desoto County	226	40.8	\$4,801,860
Forrest County	186	48.4	\$3,818,835
Franklin County	22	82.7	\$733,095
George County	75	92	\$1,834,425
Greene County	30	71.4	\$509,850
Grenada County	57	67.4	\$1,584,495
Hancock County	77	58	\$1,621,170
Harrison County	386	60.9	\$7,964,235
Hinds County	622	60.8	\$12,819,420
Holmes County	76	76.4	\$1,832,760
Humphreys County	44	113.3	\$976,365
Issaquena County	3	58.8	\$134,955
Itawamba County	54	50.3	\$1,029,690
Jackson County	284	59.8	\$5,894,865
Jasper County	51	77.6	\$1,454,535
Jefferson County	22	71.2	\$593,145
Jefferson Davis County	29	63.6	\$651,465
Jones County	186	78.2	\$3,958,785
Kemper County	12	29.7	\$259,920
Lafayette County	59	25.4	\$1,161,315
Lamar County	74	40.4	\$1,626,165
Lauderdale County	182	64	\$3,545,595
Lawrence County	29	57.5	\$651,465
Leake County	63	69.7	\$1,294,605
Lee County	207	74	\$4,413,645
Leflore County	125	84.1	\$3,150,675
Lincoln County	88	73.7	\$2,372,580
Lowndes County	143	64.2	\$2,560,905
Madison County	159	46	\$3,024,090
Marion County	97	106.2	\$1,867,770
Marshall County	81	63.2	\$1,614,510
Monroe County	68	52	\$1,216,305
Montgomery County	37	86.3	\$848,070
COUNTY	TOTAL TEEN	TEEN BIRTH	ESTIMATED

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	BIRTHS 2009	RATE 2009	ANNUAL TAX PAYER COSTS
Newton County	46	50.1	\$553,185
Noxubee County	35	76.8	\$711,450
Oktibbeha County	53	22.1	\$751,455
Panola County	148	116.3	\$4,092,030
Pearl River County	112	54.8	\$2,472,570
Perry County	33	76	\$854,730
Pike County	128	81.2	\$2,795,805
Pontotoc County	74	76	\$1,556,190
Prentiss County	69	66.9	\$1,214,640
Quitman County	34	102.7	\$713,115
Rankin County	209	49.2	\$4,970,115
Scott County	93	88.7	\$2,294,280
Sharkey County	26	109.1	\$1,076,310
Simpson County	84	87.3	\$1,399,590
Smith County	35	60.8	\$781,425
Stone County	39	54.4	\$774,765
Sunflower County	107	94.1	\$2,620,845
Tallahatchie County	40	74.9	\$1,332,900
Tate County	65	56.4	\$1,151,325
Tippah County	57	77.3	\$1,234,620
Tishomingo County	31	53.3	\$578,160
Tunica County	34	91.7	\$713,115
Union County	60	68.6	\$1,089,675
Walthall County	31	61.8	\$578,160
Warren County	132	70.7	\$3,558,870
Washington County	192	90.6	\$4,718,520
Wayne County	45	60.4	\$904,725
Webster County	16	55.6	\$463,185
Wilkinson County	23	63.6	\$451,530
Winston County	48	75.7	\$899,730
Yalobusha County	37	79.4	\$918,045
Yazoo County	91	95.1	\$2,507,535
Mississippi	7,078	64.1	\$154,895,580

See methods section for details on cost calculations. Costs were developed using the methodology from Hoffman, S. D., & Maynard, R. A. (2008). *Kids having kids* (2nd edition). Washington, DC: Urban Institute Press. Teen birth rates and teen births were reported through the Mississippi Department of Health's Teen Vital Statistics Data, 2009. Mississippi First supported the development of county-level estimates.

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METHODOLOGY AND CALCULATION SOURCE

In 1997, a collection of nationally recognized researchers joined together to develop an estimate of the net public cost of teen births compared to the cost if mothers had delayed pregnancy beyond teen years. The effort resulted in a model developed by Dr. Rebecca Maynard² providing conservative net costs to taxpayers and to society for teen births.

Maynard's cost model was recently updated in 2008³. The updated model now also distinguishes costs between births of teen mothers under age 18 and births to teen mothers age 18 and 19. Maynard's analysis goes beyond most cost models by estimating taxpayer and societal costs relative to costs had the mother delayed child bearing until age 20 or 21. Maynard averages costs over the first 15 years of parenthood to determine an average cost per year per birth. Based on this model, there are 15 yearly cohorts of teen births during any given year. As a result, in Maynard's methods, the cost per teen birth is multiplied by 15 cohorts for a total annual cost by county or state.

COSTS TO TAXPAYERS

Costs to tax payers include lost tax revenue based on a teen mother's and father's lower wages, lost tax revenue from lower wages of children of teen parents in adulthood, costs for foster care placement for children, public assistance costs (welfare and medical assistance) and costs for incarceration relative to the cost had the mother delayed pregnancy until she was 20 or 21.

The Mississippi Economic Policy Center applied Maynard's methodology and costs to data on county-level teen births in Mississippi in 2009. Maynard's cost model was adjusted for inflation to determine the 2009 annual cost to taxpayers for each county and the state overall. Cost figures generated by MEPC are comprehensive of the costs for teen births from mothers 17 years and younger and from mothers age 18 and 19. Data on teen births for 2009 (the most recent year available) comes from the Mississippi Department of Health's Teenage Vital Statistics Data.

The average annual cost to taxpayers per teen birth was \$4,010 for mothers age 17 years and younger and -\$98 for mothers age 18 and 19 years in 2004 dollars. MEPC adjusted Maynard's costs for inflation to 2009 dollars using the Consumer Price Index resulting in a cost of \$4,554 for age 17 years and younger and -\$111 for mothers age 18 and 19 years. Multiplying taxpayer costs by the number of teen births per each age group resulted in the net cost of teen births for each county which was then multiplied by 15 per Maynard's methodology for an overall net taxpayer cost in 2009. In 2009, teen births in Mississippi yielded a net taxpayer cost of \$154.9 million.

¹Teen birth rates include women age 15-19 in the given area. The most recent year data on teen births is available is 2009 for county-level data from MS Department of Health's Teen Vital and Statistics Data.

²Maynard, R. A. (1997). *Kids having kids*. Washington, DC: Urban Institute Press.

³Hoffman, S. D., & Maynard, R. A. (2008). *Kids having kids (2nd edition)*. Washington, DC: Urban Institute Press.
