

Abortion Access in Arizona: Economic Implications of Current, Restrictive Abortion Policies

Abortion policy is one of the most widely discussed issues on the campaign trail but there has been little attention to the economic implications of these policies for the state. A new analysis from Arizona's Grand Canyon Institute, a non-partisan think tank, finds substantial and far-ranging consequences of the current, restrictive abortion policies for Arizonans including: economic costs from a loss of labor force participation among women of child-bearing age, wide-ranging impacts on the health care workforce and quality of care available, potential implications for Arizona's higher education and business communities, as well as financial burdens for individuals and families which fall disproportionately on those with lower incomes.

As of September 2024, Arizona's abortion policies are considered [very restrictive](#), according to the Guttmacher Institute's classification of state laws and regulations. Proposition 139 is an initiative backed by an Arizona coalition who are attempting to establish a fundamental right to abortion in Arizona's constitution.

Grand Canyon Institute's review of available evidence finds substantial and far-ranging consequences of the current, restrictive abortion policies for Arizonans:

- **Arizona stands to lose \$3.4 billion dollars under the current, restrictive abortion policies**, due to an estimated 1% loss in labor force participation among women ages 15 to 44, according to a new analysis by the Institute for Women's Policy Research. (Figures are based on 2022 dollars.)
- **There are 1.38 million Arizonan women ages 15 to 44 who are directly affected by reproductive health policies** and many more who are indirectly affected.¹ The loss of wages from restrictive abortion policies for individuals and families in Arizona comes to an average loss of \$9,564 in annual wages. (Figures are based on 2022 dollars.)
- The median cost for abortion services in Arizona ranged from \$540 to \$1,568, as of 2021, depending on the type of procedure and time of gestation. **The financial costs to individuals and families from restricted access to abortion are felt disproportionately by those with lower incomes.** These effects compound over time. Women seeking an abortion nationwide report two primary barriers: geographic availability of abortion services and the financial burdens of such services.
- There are signs of strain for the medical care workforce in Arizona. **The Association of American Medical Colleges reported an 18.3% decrease in applications for medical residencies in the state**, compared with a drop of just 0.4% nationwide in 2023-2024. In obstetrics-gynecology (OB-GYN), residency program directors across the

nation reported frequent and specific questions from applicants about the quality of abortion training offered and concern about going to residency programs in states with more restrictive policies, according to interviews by a U.S. House of Representatives committee.

- A new analysis ranks **Arizona 44th in state health system performance for women’s health and reproductive care, in the bottom tier of the nation**, according to the Commonwealth Fund. Among the indicators for which Arizona underperforms relative to other states are maternal mortality rates, health insurance coverage, and per capita access to abortion clinics.
- **Women who become pregnant before age 24 who have access to abortion are more likely to enter college (42% more likely) and to complete a college degree (72% more likely)** compared to those without such access, according to a national analysis. A national survey finds about a fifth of current and prospective college students pursuing certificate, associate and bachelor degrees (21%), say that state reproductive health care policies are extremely important to them when deciding where to enroll. In all, 71% of current and prospective students say this is at least somewhat important to them.

Economic Costs of Restricted Access to Abortion

A state-level analysis from the Institute for Women’s Policy Research (IWPR) estimates a **1% loss of labor force participation in Arizona among women ages 15 to 44, compared with the absence of restrictions**. This represents an **average annual loss of income of \$9,564** for individuals and families in Arizona and a **\$3.4 billion dollar loss to the state GDP**, based on 2022 dollars.²

Most women seeking an abortion are at a key life stage for building job skills that pave the way for lifetime earnings potential. More than three-quarters (77%) of those seeking an abortion in Arizona are ages 20 to 34, according to the most recent data from the CDC Abortion Surveillance program.³

Economic Loss to Arizona from Restrictive Abortion Policies

| Average Annual % Labor Force Loss Women 15-44 | Average Annual Labor Force Loss Women 15-44 | Average Annual Economic Loss % of State GDP | Average Annual State Economic Loss |
|---|---|---|------------------------------------|
| 1.00% | \$9,564 | 0.70% | \$3,415,787,679 |

Source: [Institute for Women’s Policy Research, July 3, 2024](#). Estimates of annual labor force loss based on pooled Current Population Survey (Jan 2021 to Dec 2023). Values adjusted for inflation using 2022 constant prices.

At an individual level, being denied access to abortion increases the probability of women in the state experiencing financial distress. The landmark Turnaway Study compared the financial outcomes of women across the nation who were denied a wanted abortion with those allowed an abortion (keeping the gestational age of the pregnancy comparable between the two groups).⁴ Based on an analysis of credit report data over a ten-year period, Miller, Wherry and Foster find that **women denied a wanted abortion experience a large increase on an index of financial distress that persists up to 4 years following the year of birth.** For example, women denied a wanted abortion experienced a 78% increase in the amount of past due debts compared with their pre-pregnancy mean. And, these women have an 81% increased probability of public records indicating financial distress such as bankruptcies, tax liens and evictions.⁵

Decisions to seek an abortion are deeply personal and are often rooted in multiple considerations. Financial concerns are one of the most common reasons women give for seeking an abortion.^{6 7}

For younger women, pregnant before age 24, access to abortion is also associated with higher levels of educational attainment and earnings. An analysis of the National Survey of Family Growth by Jones found that women under age 24 with abortion access were 42% more likely to enter college and 72% more likely to complete a college degree compared to those without such access. The cumulative effects of abortion access also played out in higher individual earnings. These effects on educational attainment and economic well-being were particularly strong for young Black women.⁸

Impacts on the Health Care Workforce and Quality of Care

The shifting landscape of reproductive rights since the Supreme Court's ruling in *Dobbs vs. Jackson Women's Health Organization* ended the constitutional right to an abortion in June 2022 is already impacting the nation's medical training programs. Arizona is losing out in efforts to attract talent to the state.

The Association of American Medical Colleges [reported](#) a drop in medical school graduates applying to residency training programs in states with a ban on abortion and in states, such as Arizona, with gestational limits on abortion care.⁹

Residency applications in Arizona fell by 18.3% in the 2023-2024 cycle, far more than the national average of +0.4%. Arizona was not alone in experiencing a decline in residency applications, though only Alabama (-18.9%) and Mississippi (-18.6%) saw larger declines. The drop in applicants across the states was most pronounced for emergency medicine programs, followed by OB-GYN.

Pressures to attract OB-GYN physicians to the state are expected to increase; the federal government [projects](#) a 10% decline in the supply of OB-GYN physicians nationwide by the year 2030, while demand for their services is expected to increase by 3% over the same period.

Medical residency applications for Arizona declined sharply in 2023-2024

| Year over year change in applicants | 2019-2020 | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|
| Arizona | +5.4% | +10.1% | +6.4% | -0.3% | -18.3% |
| National average | +2.2% | +2.9% | +0.5% | -1.8% | -0.4% |

Source: Association of American Medical Colleges, [May 9, 2024](#).

A series of interviews with OB-GYN residency program directors across 20 programs and 15 states by the Democratic Committee on the U.S. House of Representatives Energy & Commerce Committee highlighted medical students' and residency training directors' concerns about providing comprehensive training "to competence" in states with restrictive abortion laws.¹⁰

Residency directors reported strong interest from potential residents about the quality of abortion care training available, asking specific questions about how this training will occur and whether they would be trained to competence. Interviews with residency applicants reinforce the finding from the Association of American Medical Colleges that **medical students are less inclined to pursue OB-GYN residency training programs in states with more restrictive laws.**

Reproductive health care is part of a continuum of comprehensive services aimed at supporting women's health. Interviews with OB-GYNs practicing in 13 states that have banned abortion pointed to common experiences with delayed, medically necessary care that put patients at risk. **Six of the 54 doctors interviewed (11%) moved their OB-GYN practice to a state with stronger protections for abortion care and most (60%) said they had considered doing so.**¹¹

A [KFF survey](#) conducted in May and June of this year found many Arizonan women ages 18-49 consider it to be very or somewhat difficult to get abortion services (46%) while just one-in-ten consider it at least somewhat easy. Another 44% said they don't know.

A majority of Arizonan women ages 18 to 49 also expressed concern about the potential impact of abortion restrictions on health care treatments for themselves or their loved ones. In all, 69% of Arizonan women ages 18 to 49 said they were very (42%) or somewhat concerned (27%) that they or someone close to them would be unable able to get an abortion if it was needed to preserve their life or health.¹²

[Reports](#) such as the death of Amber Nicole Thurman in Georgia are a chilling example of what can go wrong.¹³ Black women are more than 2.5 times more likely than White, Hispanic or Asian women to die from complications in childbirth, according to federal government data.¹⁴

A new ranking of women’s health and reproductive care puts Arizona in the bottom tier – placing 44 out of 50 states and the District of Columbia in the Commonwealth Fund’s analysis.¹⁵ Arizona underperforms relative to most other states on the 32-indicator scorecard. Overall, 19% of Arizonan women ages 18 to 44 reported a time in the past year when they needed to see a doctor but could not because of cost. The state ranks 44 out of 51 localities for the percentage of women ages 19 to 64 with no health insurance coverage. The maternal death rate in Arizona ranks 32 out of the 43 states with data available. Arizona is also far below the nation when it comes to the number of clinics offering abortion services (0.6 clinics per 100,000 women ages 15 to 44, compared with 1.5 for the nation.)¹⁶

The potential health care costs to the nation from policies banning abortion compared with protective laws and policies are substantial. One recent analysis, based on data from 5.3 million pregnancies, estimated the additional health care costs nationwide at \$34.2 billion if all states banned abortion services compared with laws that protect reproductive rights. The researchers estimate an additional 12,911 maternal deaths and 3,311 more neonatal mortalities for the nation under laws banning abortion.¹⁷

Potential Implications for Arizona’s Higher Education and Business Communities

Reproductive health policies can also influence the attractiveness of the state to prospective college students and are one of many factors in the mix as corporations consider whether and where to locate their places of business.

A [2024 survey](#) by the Lumina Foundation with Gallup on higher education issues found 21% of those surveyed – including both prospective and current college students pursuing certificate, associate and bachelor degrees – say that state reproductive health care policies are *extremely important* to them when deciding where to enroll. Male and female students and prospective students are about equally likely to say this. Overall, 71% of current and prospective students say state reproductive health care policies are at least somewhat important to them when deciding where to enroll.¹⁸

Surveys of younger workers also point to potential implications for businesses looking to attract and retain top talent. A national [CNBC -Generation Lab survey](#) of adults ages 18 to 34 earlier this year found 62% saying they would probably or definitely pass on moving to a state that banned abortion.¹⁹

Business location and relocation decisions are notoriously complex but one factor in those decisions is the talent pool, especially for businesses that rely on technical skills or knowledge workers. For example, the tech talent pipeline was [reportedly](#) critical to Amazon’s decision to add a second headquarters in northern Virginia and to pull out of a potential location in New York in 2018.²⁰

Other Costs for Individuals and Families

Limited insurance coverage is driving up out-of-pocket costs for individuals seeking an abortion. The median costs of abortion services in Arizona ranged from \$540 to \$1,568 depending on the type and timing of services, according to data compiled from facilities in 2021.²¹

Similarly, reduced availability of health care providers offering abortion services in the state leads to increased costs for access to facilities elsewhere. Analysis from the [Guttmacher Institute](#) confirms that people are traveling farther distances for access to abortion care between January 2023 and March 2024. On average, 13% more patients seeking an abortion in the 5 states bordering Arizona traveled from out-of-state in 2023, compared with 2020.²²

These direct costs of abortion are felt disproportionately by individuals and families with lower incomes. Krems, et al. talked with 1,089 women seeking an abortion after 10 weeks gestation at 7 clinics around the country. Two primary barriers for women seeking care were related to the geographic availability of providers and the financial burdens of paying for abortion care services.²³

Women denied abortion care often report mental health distress. Liu et al. found women living in states with more restrictive abortion laws had increased odds of frequent mental distress on the federal government's Behavioral Risk Factor Surveillance System survey, compared with those living in states with protective laws. These effects were largest for women ages 25 to 34 and for those with no more than a high school degree.²⁴ The findings are in line with an earlier report from the Turnaway Study which found that women denied an abortion reported higher stress and anxiety and lower self-esteem and life satisfaction compared with women who were allowed an abortion.²⁵

About

The Grand Canyon Institute (GCI) is a nonpartisan, nonprofit organization dedicated to informing and improving public policy in Arizona through evidence-based, independent, objective, nonpartisan research. GCI makes a good faith effort to ensure that findings are reliable, accurate, and based on reputable sources. While publications reflect the view of the Institute, they may not reflect the view of individual members of the Board.

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