



Birth Equity Act Expands Private Insurance Coverage for Abortion in Illinois

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Abigail Poag

Health insurance and abortion access

More than two years after the overturn of *Roe v. Wade*, cost remains a significant barrier to abortion care and an impediment to equitable access. One nationwide survey determined that in the year prior to the *Dobbs* decision, approximately 41% of abortion seekers had incomes below the federal poverty level, and 53% of patients paid for their abortion out of pocket.¹ Another study concluded that out-of-pocket abortion costs constitute catastrophic health expenditures even for middle-income households earning between 67% and 99% of their state's median income.² Comprehensive insurance coverage plays an essential role in both directly and indirectly alleviating the financial burdens associated with abortion services.³⁻⁵ For instance, a robust insurance infrastructure allows financial assistance organizations to allocate more funding to uninsured populations, including recent immigrants, undocumented individuals, and patients traveling from out of state.³

A so-called “surge state,” Illinois experienced the largest cumulative increase in abortions of any state in the 18 months following *Dobbs*.^{4,6} As abortion-seekers continue to seek care in Illinois from states with more restrictive abortion laws, it becomes increasingly imperative that insurance cover the cost of abortion for Illinois residents, which also frees up much-needed resources at abortion funds and other organizations for these out-of-state patients. Fortunately, in recent years Illinois has enacted legislation aimed at authorizing and expanding insurance coverage for abortion. Passed in 2017, House Bill 40 (HB40) removed restrictions on the use of state funds to cover abortion for Medicaid recipients.^{3,4,7,8} Researchers have demonstrated how the successful implementation of HB40 has facilitated Medicaid coverage of abortion for Illinois residents. For example, a study of Illinois residents found that nearly every person enrolled in Medicaid received full coverage for their abortion without cost sharing, which alleviated burdens and made care accessible.⁴ Another study demonstrated that after the implementation of HB40, the patient price of abortion declined significantly and the volume of abortion procedures performed increased, especially among individuals with financial need.⁸ Research on the expansion of Illinois insurance coverage for abortion has also shown that financial assistance can then be redirected to those without insurance or who are traveling from out of state.

Gaps in private insurance coverage of abortion

While HB40 specifically governs Medicaid coverage of abortion, the 2019 Reproductive Health Act (RHA) includes provisions targeting both public and private health insurance plans. In particular, the Reproductive Health Act required all insurance plans that provide pregnancy-related coverage to likewise cover the costs of abortion care without deductibles or other cost-sharing limitations beyond those assigned to pregnancy-related benefits.^{9,10}

In theory, with the passage of the RHA, most Illinois residents enrolled in either Medicaid or a private insurance plan should have been able to receive coverage for their abortions, but the reality was more complicated. According to one study of Illinois abortion-seekers, nearly two years after the passage of the RHA only one-third of privately-insured study participants had a plan that covered abortion. Moreover, even those with private insurance coverage still ended up facing high costs due to unmet deductibles and copays.⁴

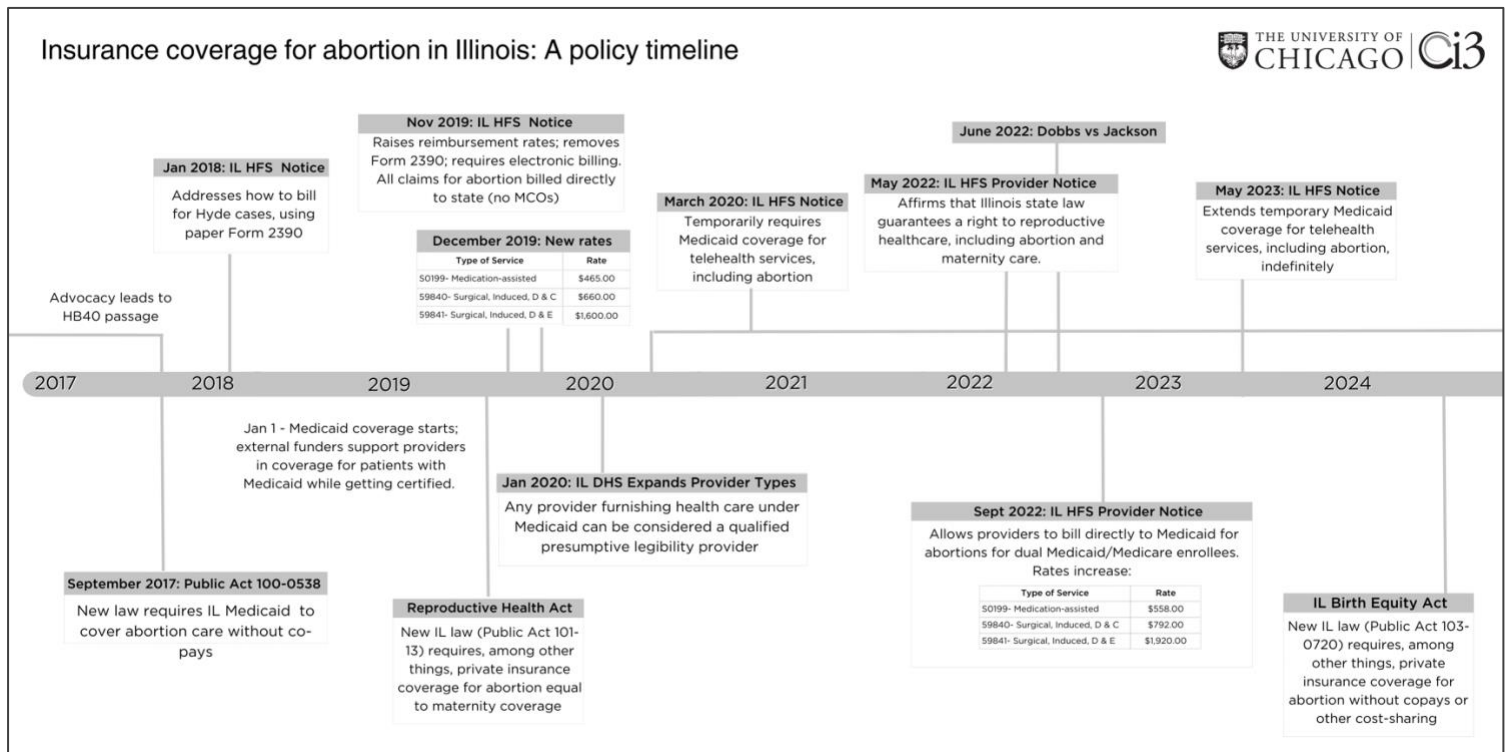
The Chicago Abortion Fund, which provides financial and logistical support to abortion-seekers, reported that following the *Dobbs* decision, over 20% of the Illinois residents who reached out to the organization for support had a private insurance plan. These private insurance holders faced an average of \$600 in abortion costs due to expensive copays and deductibles.¹¹ Despite the relative success of HB40 at securing Medicaid funding for abortion in Illinois, incomplete private coverage left many Illinois abortion-seekers without straightforward access to funding for their abortion care.

New Birth Equity Act promises to ensure comprehensive abortion coverage

Earlier this year, Illinois passed the Birth Equity Act (HB5142), a potential remedy for private insurance holders' often high out-of-pocket abortion costs. Revising the language of the RHA, the Birth Equity Act dictates that insurance plans must cover abortion care without deductibles, waiting periods, or other cost-sharing mechanisms, regardless of those required for other pregnancy-related care. Moreover, these insurance plans must cover medication abortion, even if they do not otherwise provide prescription medication coverage. The legislation also requires insurance coverage of other pregnancy, postpartum, and newborn care provided by doulas, midwives, and lactation consultants.^{11,12}

Most of the Birth Equity Act's changes are set to go into effect on January 1, 2026, while provisions regarding doula and midwife services will go into effect starting January 1, 2025.^{11,12} Although it will be some time before Illinois residents will be able to benefit from this new legislation, with proper implementation the Birth Equity Act will help make abortion more affordable for Illinois residents with private insurance, helping to ensure that all individuals have the financial means to obtain this essential reproductive healthcare. Further, with this new measure, limited abortion funding and other financial support can be allocated where it is needed most.

For more information, please contact Lee Hasselbacher at lhasselbacher@uchicago.edu



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