



# Abortion Funding Fundamentals

## How Abortion Funding Would Be Treated Under Health Reform Bills

Jessica Arons | September 30, 2009

Abortion has become a popular sideshow in the three-ring circus of the debate over health care reform. In particular, many questions about abortion funding have arisen—some genuine and some distorted.

Opponents and supporters of abortion rights agreed early on, in theory, to maintain the status quo with “abortion neutral” health care legislation. The idea was that health care reform is not the appropriate place to continue the fight over abortion and neither side should attempt to use health care reform as a vehicle to further expand or restrict access to abortion.

In pursuit of this objective, Rep. Lois Capps (D-CA) introduced an amendment in the House Energy and Commerce Committee that attempted to strike a balance and preserve the status quo on abortion funding. This proposal was adopted on July 30, 2009. On the Senate side, Finance Committee Chairman Max Baucus (D-MT) has proposed a bill that includes abortion funding provisions that closely mirror the Capps amendment.

Yet even finding agreement on the current state of play can be a challenge for an issue as controversial as abortion. This chart explains the current law on abortion funding and shows how the House and Senate bills would maintain or change the status quo.

Current law	Capps Amendment to House Energy & Commerce Committee health care reform bill	Senate Finance Committee health care reform bill
<p><b>The Hyde Amendment</b></p> <p>The Hyde Amendment prohibits federal Medicaid and Medicare money from being spent on most types of abortion, including pregnancies that threaten the woman's health or involve fetal anomalies. Federal money can only be used to pay for an abortion when the pregnancy threatens the life of the woman or results from rape or incest.</p>	<p>The Hyde Amendment restrictions would apply to all insurance plans that participate in the health insurance exchange, whether those plans are operated by private insurers or by the government's "public option." In other words, no federal funding, including affordability credits or other subsidies, would be used to pay for abortions beyond what is currently allowed. Private premiums would be segregated from public funds and only the private premiums could pay for abortion services beyond those allowed by the Hyde Amendment.</p>	<p>The Hyde Amendment restrictions would apply to all insurance plans that participate in the health insurance exchange, whether those plans are operated by private insurers or member-run co-ops. In other words, no federal funding, including affordability credits or other subsidies, would be used to pay for abortions beyond what is currently allowed. Private premiums would be segregated from public funds and only private premiums could pay for abortion services beyond those allowed by the Hyde Amendment.</p>
<p><b>Other government programs</b></p> <p>Laws similar to the Hyde Amendment that restrict coverage of abortion services also apply to military employees and their dependents, federal employee health plans, members of the Peace Corps, women in federal prisons and detention centers, and Native Americans who receive health care through the Indian Health Services.</p>	<p>Current restrictions on federal spending for abortion services would not change.</p>	<p>Current restrictions on federal spending for abortion services would not change.</p>
<p><b>States</b></p> <p>States have the option to use their own money to pay for abortion services beyond what is permitted under the Hyde Amendment, and 17 states currently do so. Federal money subsidizes these state Medicaid programs even though they cover abortion.</p>	<p>Federal money would subsidize plans that cover abortion—just like they currently do for state Medicaid plans and employer plans—but <b>no public money would be used to pay for abortion services</b> not allowed by the Hyde Amendment. Government money would only be used to help pay for the other medical services covered by those plans.</p>	<p>Federal money would subsidize plans that cover abortion—just like they currently do for state Medicaid plans and employer plans—but <b>no public money would be used to pay for abortion services</b> not allowed by the Hyde Amendment. Government money would only be used to help pay for the other medical services covered by those plans.</p>
<p><b>Private insurance</b></p> <p>Private insurance companies are allowed to decide whether to cover abortion services, and 87 percent of typical employment plans currently provide such coverage. The federal government subsidizes these plans through an employer tax credit, even if the plans include abortion.</p>	<p>Each plan in the exchange could decide whether to cover abortion services beyond those allowed by the Hyde Amendment, provided that at least one plan in each market area offers such services and one plan does not. This provision <b>goes well beyond current law</b> to guarantee that consumers have the option to purchase a plan that suits their medical needs and their values. No abortion services—even those allowed by the Hyde Amendment for cases that threaten the woman's life or result from rape or incest—can be mandated as part of a minimum benefits package.</p>	<p>Each plan in the exchange could decide whether to cover abortion services beyond those allowed by the Hyde Amendment, provided that at least one plan in each market area offers such services and one plan does not. This provision <b>goes well beyond current law</b> to guarantee that consumers have the option to purchase a plan that suits their medical needs and their values. No abortion services—even those allowed by the Hyde Amendment for cases that threaten the woman's life or result from rape or incest—can be mandated as part of a minimum benefits package.</p>