



Profit. No Matter What.

2017 Report on Publicly Available Audits of Planned Parenthood Affiliates and State Family Planning Programs

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This report outlines Charlotte Lozier Institute and Alliance Defending Freedom's research in identifying waste, abuse, and potential fraud by Planned Parenthood affiliates and other abortion providers, particularly with respect to federal and state Title XIX-Medicaid reimbursements.

The weight of evidence indicates that waste by Planned Parenthood affiliates may be widespread, and suggests that such policies may be the result of, at a minimum, a policy of benign neglect over billing practices organization-wide by Planned Parenthood Federation of America's headquarters in New York City.

The publicly available audits summarized herein, as well as confidential sources who have inside knowledge of Planned Parenthood's operations, strongly suggest that Planned Parenthood affiliates systematically take advantage of "overbilling" opportunities to maximize revenues in complex, well-funded federal and state programs that are understaffed and rely on the integrity of the provider for program compliance.

The full text of this publication can be found at:

<https://lozierinstitute.org/plannedparenthood-profit-no-matter-what>

Summary of Findings

- ❖ There are **51 known external audits or other reviews** of Planned Parenthood affiliates' financial data and practices: two in California, one in Connecticut, one in Illinois, two in Louisiana, one in Maine, one in Nebraska, seven in New York State, one in Ohio, three in Oklahoma, two in Texas, three in Washington State, and 27 in Wisconsin. *Nearly all of the audits have found overbilling. All audits are summarized in the paper.*
- ❖ The audits found numerous improper practices resulting in significant **Title XIX-Medicaid overpayments of more than \$8.5 million** to Planned Parenthood affiliates for family planning and reproductive health services claims.
- ❖ Of the 42 audits of Planned Parenthood for which dates covered are known, as much as **\$5.2 million** was overbilled in one audited year in a single audit; the *average overbilled amount per audited year in a single audit was more than \$94,000.*

- ❖ Three federal audits specifically identify Planned Parenthood – and only Planned Parenthood – as the problem in state family planning program overbilling.
- ❖ Auditors and investigators have specifically identified Planned Parenthood affiliates as the source of **at least \$12.8 million** in waste, abuse, and potentially fraudulent overbilling and penalties. Former Planned Parenthood employees and others allege many millions more.
- ❖ The federal audits have detailed “unbundling” or “fragmentation” billing schemes related to pre-abortion examinations, counseling visits, and other services performed in conjunction with an abortion, and improper billing for the abortions themselves. In New York alone during one four-year audit period, it appeared that ***hundreds of thousands of abortion-related claims were billed unlawfully to Medicaid.***
- ❖ Overbilling found in audits of state family planning programs amounted to more **than \$123.8 million.**

Summary of Recommendations

- ❖ Vigorously pursue the current GAO investigation seeking, among other things, up-to-date information regarding federal funding of Planned Parenthood and other specific organizations.
- ❖ Continue and complete investigations into PPFA and its affiliates’ and other abortion businesses’ use of federal funding and compliance with federal abortion funding restrictions.
- ❖ Empower auditors and state Medicaid Fraud Control Units (MFCUs) to investigate, prosecute, and recover overbilling by PPFA and its affiliates’ and other family planning businesses.
- ❖ Insist on greater transparency in reports maintained by federal and state Medicaid authorities on family planning program claims and reimbursements, as well as in the annual audits and quality control reviews required of all non-federal entities that expend \$500,000 or more of federal awards in a year.
- ❖ Update state False Claims Act laws according to HHS-OIG guidelines in order to qualify for an incentive under section 1909 of the Social Security Act,164 and to encourage legitimate whistleblowers to come forward.
- ❖ Update and refine state Medicaid regulations relating to prescription refill frequency and maximum prescription reimbursement amount.
- ❖ Investigate whether Planned Parenthood is double-dipping by billing Medicaid (and thus federal taxpayers) for services that other entities and individuals are already paying it to provide.