



## Is Planned Parenthood Deserving of our Money? *Government Audits and Investigations Make the Answer Clear*

### **Planned Parenthood has wasted, abused, and potentially defrauded millions of dollars of taxpayer money.**

- Planned Parenthood paid the Obama Administration \$4.3 million to settle a case brought by a former Planned Parenthood employee alleging taxpayer fraud by a Texas Planned Parenthood affiliate.<sup>1</sup> The settlement agreement in that case confirms that “The United States contends that [Planned Parenthood] submitted false claims and made false statements in connection with claims (it) submitted.”<sup>2</sup>
- Planned Parenthood faces repayment of as much as \$20 million more in another pending whistleblower lawsuit alleging fraud.<sup>3</sup>
- Forty-five separate audits by federal and state auditors in nine states (the entire sample) found another \$8.5 million in Medicaid overbilling by Planned Parenthood affiliates. Many of these audits were extremely limited in scope, meaning that the exposed waste and abuse could be the tip of the iceberg.<sup>4</sup>
- Fifty-seven federal audits of state-wide family planning programs – all of which feature Planned Parenthood as a key recipient of those taxpayer funds – uncovered over \$121 million more in Medicaid overbilling. These audits typically do not identify the individual providers responsible.<sup>5</sup>

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<sup>1</sup> The United States Attorney’s Office Eastern District of Texas, *Planned Parenthood Pays \$4.3 Million To Settle Allegations Of Unnecessary Medical Care*, <http://www.justice.gov/usao-edtx/pr/planned-parenthood-pays-43-million-settle-allegations-unnecessary-medical-care> (last visited Feb. 5, 2016).

<sup>2</sup> Jill Stanek, *Planned Parenthood Gulf Coast \$4.3 Million Settlement Agreement with Government*, Scribd., <http://www.scribd.com/doc/157465464/Planned-Parenthood-Gulf-Coast-4-3-Million-Settlement-Agreement-with-Government> (last visited Feb. 5, 2016.)

<sup>3</sup> Alliance Defending Freedom, *Planned Parenthood harms heartland women*, <http://www.adfmedia.org/News/PRDetail/7505> (Last Visited Feb. 5, 2016).

<sup>4</sup> Alliance Defending Freedom, *Profit. No Matter What.: Alliance Defending Freedom’s Annual Report on Publicly Available Audits of Planned Parenthood Affiliates and State Family Planning Programs*, <https://adflegal.blob.core.windows.net/web-content-dev/docs/default-source/documents/resources/campaign-resources/life/investigate-their-plan/life---planned-parenthood-overview---adf-report-to-congress-on-planned-parenthood-fraud.pdf?sfvrsn=20> (last visited Feb. 5, 2016).

<sup>5</sup> *Id.*

## Planned Parenthood has failed to report sexual abuse of minors in at least a dozen instances in seven states:

- **Alabama, Arizona, California, Colorado, Connecticut, Minnesota, & Ohio:** Planned Parenthood has a pattern of failing to report incidents involving sexually abused minors, lapsing their duty as first responders to protect underage women from further sexual assault and violating state laws.<sup>6</sup>
- A Planned Parenthood affiliate in Denver, Colorado is accused of violating state law by failing to report sexual abuse of an underage girl. According to documents from a recently settled civil lawsuit, two employees failed to comply with Colorado law by choosing not to report the sexual abuse of the 13-year-old, committing an abortion without giving notice to her parents, and returning her to the custody of her abuser, who continued to sexually molest her.<sup>7</sup>
- The Alabama state health department confirmed that a Planned Parenthood affiliate failed to report multiple rapes of a 14-year-old girl, who ultimately had two abortions during a four-month time period.<sup>8</sup> The report also detailed other apparent violations, including faulty patient care and infection control problems.

## Despite claims that some investigations have “exonerated” Planned Parenthood, it has been cited for violating laws and regulations in several states *since the CMP videos were released*:

- **Ohio:** Records showed that multiple Ohio Planned Parenthood affiliates appear to have been illegally dumping aborted fetuses in landfills<sup>9</sup> in apparent violation of Ohio state law requiring humane disposal of fetal remains.<sup>10</sup>

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<sup>6</sup> Alliance Defending Freedom, *How Planned Parenthood “Cares” for Child Victims of Sexual Abuse: A Summary of Planned Parenthood Failing to Report Sexual Abuse*, <http://www.adfmedia.org/files/PlannedParenthoodSexAbuseSummary.pdf> (last visited Feb. 6, 2016).

<sup>7</sup> Alliance Defending Freedom, *Sisk v. Rock Mountain Planned Parenthood, Inc.*, <http://www.adfmedia.org/files/SiskThirdAmendedComplaint.pdf> (last visited Feb. 6, 2016).

<sup>8</sup> Statement of Deficiencies and Plan of Correction for Planned Parenthood of Alabama, Inc., Alabama Department of Health, <http://dph1.adph.state.al.us/DeficienciesReports/planned%20parenthood%20mobile%202011-21-2014.pdf> (last visited Feb. 6, 2016).

<sup>9</sup> Steven Ertelt, *Planned Parenthood Caught Breaking State Law to Send Aborted Babies to Landfills*, LifeNews.com, <http://www.lifenews.com/2015/12/11/planned-parenthood-caught-breaking-state-law-to-send-aborted-babies-to-landfills/> (last visited Feb. 6, 2016).

<sup>10</sup> Letter from Mike DeWine, Attorney General of Ohio, to Richard Hodges, Director of the Ohio Department of Health, AbortionDocs.com, <http://abortiondocs.org/wp-content/uploads/2015/12/DeWine-ODH-Letter-2015-12-113.pdf> (last visited Feb. 6, 2016).

- **Florida:** A state investigation revealed that three Planned Parenthood locations were illegally performing late-term abortions, and one had not been keeping required records of fetal remains.<sup>11</sup>
- **Pennsylvania:** A state inspection cited Planned Parenthood for storing aborted babies in bags in a janitor's closet.<sup>12</sup>
- **South Carolina:** A state investigation revealed that a Planned Parenthood facility, along with two other abortion facilities, was sterilizing and then dumping aborted babies in a public landfill, rather than incinerating them as required by state law.<sup>13</sup> For this and twenty other health and safety citations, Planned Parenthood had its license suspended and was required to pay \$7,500 in fines.
- **Missouri:** Planned Parenthood Missouri employees failed to respond to a subpoena from a Missouri Senate committee investigating the abortion group that asked it to testify and provide documents. Planned Parenthood officials face potential jail time and fines.<sup>14</sup>
- **Kentucky:** A new Planned Parenthood opened last month in Louisville and began doing both chemical and surgical abortions without being licensed by the state in violation of state law.<sup>15</sup> A Kentucky statute prohibits performing abortions without a license, and provides for penalties ranging from \$500 to \$10,000 for each violation. The governor's office ordered Planned Parenthood to immediately stop performing abortions without a license.<sup>16</sup>

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<sup>11</sup> Michael Auslen, *4 Planned Parenthood locations cited after Gov. Rick Scott orders inspections*, Tampa Bay Times, <http://www.tampabay.com/blogs/the-buzz-florida-politics/4-planned-parenthood-locations-cited-after-gov-rick-scott-orders/2240127> (last visited Feb. 6, 2016).

<sup>12</sup> Pennsylvania Department of Health, *PPSP Surgical Locust Street Health Center Health Inspection Results* <http://sais.health.pa.gov/commonpoc/content/publiccommonpoc/QAsurvey.asp?FACID=00238701&PAGE=1&N AME=PPSP+SURGICAL+LOCUST+STREET+HEALTH+CENTER&SurveyType=H%20&COUNTY=> (last visited Feb. 6, 2016).

<sup>13</sup> *DHEC issuing more fines against abortion clinics*, WISTV.com, <http://www.wistv.com/story/30503745/dhec-issuing-more-fines-against-abortion-clinics> (last visited Feb. 6, 2016).

<sup>14</sup> Alex Stuckey, *Mo. Senate committee wants contempt proceedings for heads of St. Louis Planned Parenthood, pathology lab*, St. Louis Post Dispatch, [http://www.stltoday.com/news/local/govt-and-politics/mo-senate-committee-wants-contempt-proceedings-for-heads-of-st/article\\_cfdf417-e58e-5d3b-a69e-df118b3c174d.html](http://www.stltoday.com/news/local/govt-and-politics/mo-senate-committee-wants-contempt-proceedings-for-heads-of-st/article_cfdf417-e58e-5d3b-a69e-df118b3c174d.html) (last visited Feb. 8, 2016).

<sup>15</sup> Deborah Yetter, *Bevin counsel: Planned Parenthood got bad info*, Courier-Journal, <http://www.courier-journal.com/story/news/politics/2016/01/31/planned-parenthood-kentucky-authorized-abortion/79606258/> (last visited Feb. 8, 2016).

<sup>16</sup> Micaiah Bilger, *Governor Matt Bevin Shuts Down Illegal, Unlicensed Planned Parenthood Abortion Clinic in Kentucky*, LifeNews.com, <http://www.lifenews.com/2016/02/01/governor-matt-bevin-shuts-down-illegal-unlicensed-planned-parenthood-abortion-clinic-in-kentucky/> (last visited Feb. 8, 2016).

- **Oklahoma:** Audits revealed a 14-20% “error rate” in claims submitted for payment by Planned Parenthood to the Oklahoma Medicaid program, leading the Governor to call for the termination of its Medicaid contracts.<sup>17</sup>

## Planned Parenthood prioritizes abortion and profit over every aspect of healthcare for women:

- Despite \$553.7 million in taxpayer dollars last year<sup>18</sup>, over \$750 million in excess revenue over the past 10 years<sup>19</sup>, and nearly \$1.5 billion in net assets,<sup>20</sup> Planned Parenthood has:
  - Closed at least 157 facilities since 2005, despite hundreds of millions in profit over the same period<sup>21</sup>
  - Reduced cancer screenings and prevention services by 66% since 2006<sup>22</sup>
  - Reduced breast exams and breast care by 58% since 2006<sup>23</sup>
  - Performed 160 abortions for every one adoption referral in 2015<sup>24</sup>
  - Has seen a nearly 20% reduction in clients served since 2005<sup>25</sup>
  - Has never performed a single mammogram<sup>26</sup>

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<sup>17</sup> Alliance Defending Freedom, *Oklahoma governor calls for end to taxpayer funding of Planned Parenthood*, <http://www.adfmedia.org/News/PRDetail/?CID=88055> (last visited Feb. 8, 2016).

<sup>18</sup> Planned Parenthood Federation of America, *2014-2015 Annual Report*, [https://www.plannedparenthood.org/files/2114/5089/0863/2014-2015\\_PPFA\\_Annual\\_Report\\_.pdf](https://www.plannedparenthood.org/files/2114/5089/0863/2014-2015_PPFA_Annual_Report_.pdf) (last visited Feb. 8, 2016).

<sup>19</sup> Charlotte Lozier Institute, *Planned Parenthood Shows \$¾ Billion of Excess of Revenue Over Past Decade*, <https://lozierinstitute.org/planned-parenthood-shows-%C2%BE-billion-of-excess-of-revenue-over-past-decade/> (last visited Feb. 8, 2016).

<sup>20</sup> Planned Parenthood Federation of America, *supra*, note 18.

<sup>21</sup> American Life League’s STOPP International, *2014 Report on Planned Parenthood facilities in the United States*, [http://www.stopp.org/pdfs/2014/STOPP\\_Facilities2014.pdf](http://www.stopp.org/pdfs/2014/STOPP_Facilities2014.pdf) (last visited Feb. 8, 2016).

<sup>22</sup> *Compare* Planned Parenthood Federation of America, *2007-2008 Annual Report*, [http://www.mdrtl.org/files/PP\\_AnnualRpt08\\_vFinal.pdf](http://www.mdrtl.org/files/PP_AnnualRpt08_vFinal.pdf) (last visited Feb. 8, 2016) (where PPFA reported 2,007,371 clients receiving cancer screening and prevention services in 2006) *and* Planned Parenthood Federation of America, *supra*, note 18 (where PPFA reported only 682,208 cancer screening and prevention services in 2015).

<sup>23</sup> *Compare* Planned Parenthood Federation of America, *supra*, note 22 (where PPFA reported 882,961 clients receiving breast exams/breast care in 2006) *and* Planned Parenthood Federation of America, *supra*, note 18 (where PPFA reported only 363,803 clients receiving breast exams/breast care in 2015).

<sup>24</sup> Planned Parenthood Federation of America, *supra*, note 18 (where PPFA reported 2,024 adoption referrals in 2014, and 323,999 abortion procedures in 2015).

<sup>25</sup> *Compare* Planned Parenthood Federation of America, *2005-2006 Annual Report*, <http://liveaction.org/research/wp-content/uploads/2011/06/2005-2006-Planned-Parenthood-Annual-Report.pdf> (last visited Feb. 8, 2016) (where PPFA reported 3,051,144 clients in 2005) *and* Planned Parenthood Federation of America, *supra*, note 18 (where PPFA reported 2,500,000 clients in 2015).

<sup>26</sup> Alliance Defending Freedom, *Planned Parenthood isn’t Necessary*, <https://adflegal.blob.core.windows.net/web-content-dev/site-assets/pp-map.jpg?svrsn=2> (last visited Feb. 8, 2016).

The only service Planned Parenthood offers that has increased in the last decade is abortion: PP reports a 21% increase in its abortion business since 2004.<sup>27</sup>

## Congress and states are just beginning to investigate Planned Parenthood

- The videos filmed by the Center for Medical Progress have been independently authenticated by Coalfire Systems, a respected forensic analysis company.<sup>28</sup> The full unedited videos are available online.<sup>29</sup>
- The videos and additional evidence unrelated to the videos point to potential violations of federal law which Congress and several states are still investigating, including:<sup>30</sup>
  - **Using illegal abortion procedures:** Planned Parenthood abortion doctors discuss in CMP videos 1, 2, 4, and 5 how they could alter the abortion procedure in order to increase the likelihood of intact “specimens” or baby cadavers. In her August 27 letter to Congress, Cecile Richards admitted Planned Parenthood does alter its methods to obtain better tissue samples<sup>31</sup>. This raises serious concerns about illegal alteration of abortion methods, including possible violations of the Partial Birth Abortion Ban Act and the Born Alive Infant Protection Act, as well as 42 U.S. Code 289g-1.
  - **Sales of fetal tissue:** In nearly every video, high-level Planned Parenthood officials and a former employee of a company who collected fetal tissue from Planned Parenthood facilities discuss how fetal tissue procurement can be—and has been—financially lucrative, but must be undertaken carefully so as not to look like Planned Parenthood is making a profit. Cecile

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<sup>27</sup> Compare Planned Parenthood Federation of America, *2005-2006 Annual Report*, <http://liveaction.org/research/wp-content/uploads/2011/06/2005-2006-Planned-Parenthood-Annual-Report.pdf> (last visited Feb. 8, 2016) (where PPFA reported performing 255,015 abortions in 2004) and Planned Parenthood Federation of America, *supra*, note 18 (where PPFA reported performing 323,999 in 2015).

<sup>28</sup> Casey Mattox, *New Forensic Report Flushes Planned Parenthood’s “Highly Edited” Talking Point*, Townhall.com, <http://townhall.com/columnists/casymattox/2015/10/01/new-forensic-report-flushes-planned-parenthoods-highly-edited-talking-point-n2059788> (last visited Feb. 8, 2016).

<sup>29</sup> *The Center for Medical Progress*, YouTube.com, <https://www.youtube.com/channel/UCXSI8qkDPz1CZj1u9I8Wbcg> (last visited Feb. 8, 2016).

<sup>30</sup> Arina Grossu, *Investigating Planned Parenthood and Research Using Aborted Babies*, Family Research Counsel, <http://www.frc.org/plannedparenthoodinvestigation> (last visited Feb. 8, 2016) We’ve included only a brief summary. Please see additional information relevant to the ongoing investigations at this site.

<sup>31</sup> Planned Parenthood, *Letter from Cecile Richards, President of Planned Parenthood of America Federation to Congress*, [https://www.plannedparenthood.org/files/8314/4709/3497/PPFA\\_Letter\\_to\\_Congressional\\_Leadership.pdf](https://www.plannedparenthood.org/files/8314/4709/3497/PPFA_Letter_to_Congressional_Leadership.pdf) (last visited Feb. 8, 2016).



Richards admitted<sup>32</sup> in the August 27 letter to Congress that some affiliates receive “reimbursement of \$60 per tissue specimen,” without any explanation of how this amount is a reimbursement for any actual costs. Receiving “valuable consideration” in exchange for baby body parts violates 42 U.S. Code 274e.

- The marketing materials<sup>33</sup> of Planned Parenthood partner, Stem Express, promise to provide a “fiscal reward” and “financial benefits” to abortionists for their baby body parts. These Stem Express marketing materials bear the endorsement of a Planned Parenthood official.
- The Select Investigative Panel on Infant Lives is just beginning its deep-dive into these potential federal law violations<sup>34</sup>, and the other Congressional investigations remain ongoing.
- Several other states, including Texas, continue to investigate Planned Parenthood’s practices. Recent documentary evidence demonstrates that Planned Parenthood Gulf Coast was paid as much as \$150 per “consent payment” for obtaining baby body parts.<sup>35</sup>
- In Wisconsin, despite claims that Planned Parenthood had not been engaged in the transfer of baby body parts, recent Freedom of Information (FOIA) requests have revealed that University of Wisconsin researchers obtained baby body parts from Planned Parenthood Wisconsin affiliates.<sup>36</sup>

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<sup>32</sup> *Id.*

<sup>33</sup> Joshua Tijerina, *How Planned Parenthood Makes Money Selling Aborted Baby Parts*, Alliance Defending Freedom, <http://www.adflegal.org/detailspages/blog-details/allianceedge/2015/07/28/how-planned-parenthood-makes-money-selling-aborted-baby-parts> (last visited Feb. 8, 2016).

<sup>34</sup> House Energy & Commerce Committee Select Panel on Infant Lives, <http://energycommerce.house.gov/infantlives> (last visited Feb. 8, 2016).

<sup>35</sup> Kate Scanlon, *New Video Alleges Planned Parenthood Used ‘Accounting Gimmicks’ to Hide Profit From Sale of Fetuses*, The Blaze, <http://www.theblaze.com/stories/2016/02/03/new-video-alleges-planned-parenthood-used-accounting-gimmicks-to-hide-profit-from-sale-of-fetuses/> (last visited Feb. 8, 2016).

<sup>36</sup> Alliance Defending Freedom, *Planned Parenthood, Univ. of Wis. lied about baby parts, public records reveal*, <http://www.adfmedia.org/News/PRDetail/?CID=88644> (last visited Feb. 8, 2016).