



WISCONSIN LEGISLATURE

P.O. BOX 8952 • MADISON, WI 53708

January 22, 2015

Senator Robert Cowles, Co-Chair
Joint Legislative Audit Committee
118 South, State Capitol
Madison, Wisconsin 53702

Representative Samantha Kerkman, Co-Chair
Joint Legislative Audit Committee
315 North, State Capitol
Madison, Wisconsin 53702

Dear Senator Cowles and Representative Kerkman,

In light of serious concerns raised by recent news reports, we are writing you to request that the non-partisan Joint Legislative Audit Committee conduct a comprehensive, independent audit of Wisconsin's Medicaid family planning providers, including Planned Parenthood of Wisconsin. In particular, we would appreciate a thorough investigation of their billing practices and an accounting of their utilization of the significant taxpayer dollars they receive at the state, federal and local levels of government.

Media accounts within the past few months have highlighted audits by the Office of the Inspector General (OIG) at the Department of Health Services for both NEWCAP and Wisconsin Family Planning Health Services (FPHS) which have produced red flags regarding program integrity. OIG determined that NEWCAP is responsible for overbilling the state by \$1.2 million and Family Planning Health Services has overbilled \$2.3 million, while several other states report similar findings with Planned Parenthood and other Medicaid family planning providers. In fact, \$115 million has been documented nationwide in overpayments, a figure which likely represents only a fraction of the actual waste and fraud that is occurring.

According to a *Milwaukee Journal Sentinel* article from December 12 of last year (attached), "*If the Office of the Inspector General's audits are correct, and if they are expanded in scope, the state would stand to collect tens of millions of dollars,*" further pointing out that the existing audits were for only two of the past five years and that Planned Parenthood is much larger than the organizations being audited.

It is peculiar and deeply troubling that any large recipient of taxpayer dollars would pre-emptively divulge that they are guilty of massively defrauding the government and actively in violation with their billing practices, with no plans to change or reimburse taxpayers--and yet that is precisely what Planned Parenthood of Wisconsin has admitted to doing.

Planned Parenthood of Wisconsin is the largest abortion and family planning service provider in Wisconsin, with 23 clinics and a total income from taxpayers at the state and federal level of more than \$14 million. According to Planned Parenthood of Wisconsin's public policy director, Nicole Safar, Planned Parenthood of Wisconsin bills in the same way NEWCAP and FPHS are charged with doing and estimates that her organization would lose \$4.5 million in annual revenue if they were to actually abide by DHS requirements.

In addition to the overbilling for pharmaceuticals through the 340B program identified by OIG, we are requesting examination of whether the following wasteful or fraudulent practices are occurring, as has been identified in other states:

1. Contraceptive overprescription through the use of mandatory, opt-out programs such as Pills by Mail and Quarterly Contraceptive Kits automatically mailed to Medicaid beneficiaries, resulting in stockpiling and packages being sent to women no longer using these contraceptives or no longer at their original address.
2. Prescribing and dispensing prescription contraceptives without medical authorization, for patients who have not been seen by a licensed clinician and without the required clinician signature.
3. Double-dipping by billing taxpayers for services without offsets that other entities are already paying them to provide.

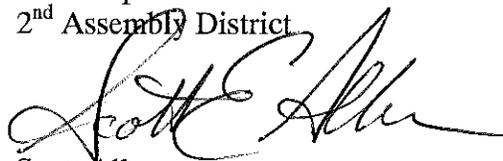
A very limited August 2012 audit of payments to Planned Parenthood of Wisconsin found that Planned Parenthood was billing for duplicate services, with the Wisconsin Department of Health and Family Services noting that the quantities of contraceptives billed by Planned Parenthood were excessive relative to the standard usage, or the dollar amount billed was inconsistent with the quantity billed.

Thank you for taking time to consider our request.

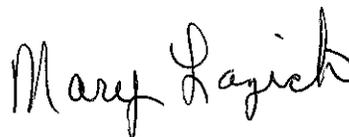
Sincerely,



André Jacqué
State Representative
2nd Assembly District

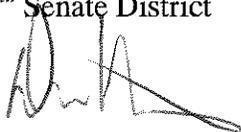


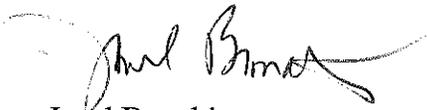
Scott Allen
State Representative
97th Assembly District



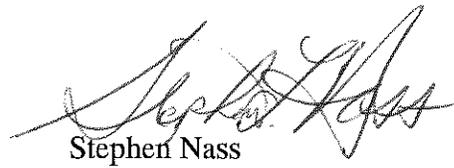
Mary Lazich
State Senator
28th Senate District

Devin LeMahieu
State Senator
9th Senate District





Janel Brandtjen
State Representative
22nd Assembly District



Stephen Nass
State Senator
11th Senate District



Dave Craig
State Representative
83rd Assembly District



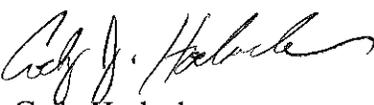
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87th Assembly District



Bob Gannon
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Cody Horlacher
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33rd Assembly District



Rob Hutton
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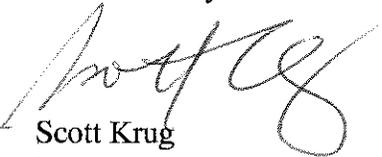
Terry Katsma
State Representative
26th Assembly District



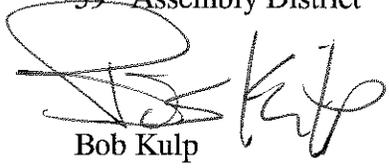
Joel Kleefisch
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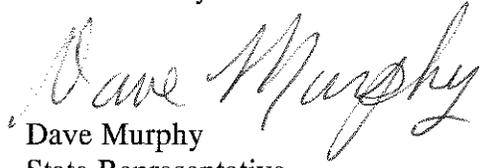
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Dave Murphy
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56th Assembly District



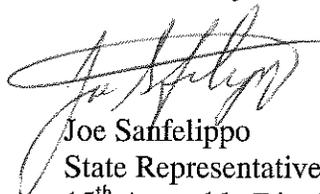
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55th Assembly District



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State Representative
15th Assembly District

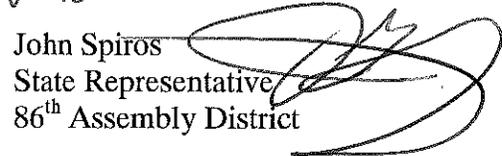
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John Spiros
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State Representative
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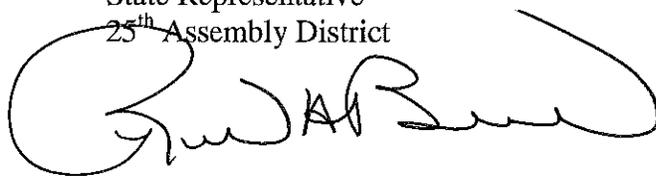
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Paul Tittl
State Representative
25th Assembly District



Tyler Vorpapel
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27th Assembly District



Robert Brooks
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