



# CHRIS KAPENGA

WISCONSIN STATE SENATOR

## **Testimony on Assembly Bill 311**

*Assembly Committee on Health*

September 2, 2015

First, I would like to thank Chairman Sanfelippo and the members of the committee for holding a hearing on Assembly Bill 311. Additionally, I would like to thank Representative Jacque for his leadership on this issue.

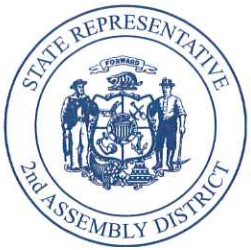
The federal 340B Drug Discount Program was created in 1992 and requires drug manufacturers to provide outpatient drugs to eligible healthcare organizations and covered entities at bargain basement prices.

The Wisconsin Department of Health Services (DHS) has been under the impression that federal guidance restricts non-profit Medicaid providers to the actual acquisition cost of medication plus a reasonable dispensing fee. However, there have been reported instances of overcharging that have led to the drafting of this legislation.

According to a report gathered by Inspector General Alan White, payments in excess of actual acquisition cost plus a reasonable dispensing fee totaled more than one million dollars were made to Newcap WHS from January 1, 2010 through December 31, 2011. In response to the report issued by the inspector general, NEWCAP claimed that Wisconsin statute did not require them to seek reimbursement for only the actual acquisition cost plus a reasonable dispensing fee. Rather, NEWCAP was intentionally overcharging up to the "maximum allowable fee" per verbal instructions given in 2009 from several senior DHS officials. One of the officials involved was Diane M. Welsh, who served as the chief legal counsel for DHS at the time. She now represents NEWCAP and Family Health Planning Services, Inc. in her capacity as an attorney for von Briesen and Roper, s.c.

This bill clarifies that certain entities, when billing the Medical Assistance (MA) program for reimbursement of a prescription drug, are to bill the actual acquisition cost of the prescription drug and the reasonable dispensing fee charged under the MA program. Allowing certain entities to overcharge, while hospitals and other organizations are responsibly charging for reimbursement, is not fair or equitable.

I ask you to consider the recommendation of Assembly Bill 311 for a vote in front of the full Assembly. Thank you again, Chairman Sanfelippo and members of the committee, for taking the time to hold this public hearing. I look forward to working with you on the passage of this legislation.



# ANDRÉ JACQUE

STATE REPRESENTATIVE • 2<sup>nd</sup> ASSEMBLY DISTRICT

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Rep.Jacque@legis.wi.gov

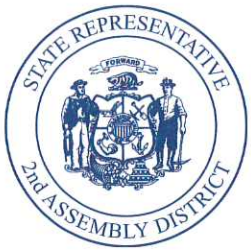
P.O. Box 8952  
Madison, WI 53708-8952

Chairman Sanfelippo and Assembly Health Committee members:

Thank you for the opportunity to also testify before you today in support of Assembly Bill 311.

AB 311 will close a loophole secretly created for certain entities towards the end of Gov. Jim Doyle's administration which crafted an additional \$4.5 Million per year taxpayer subsidy for Planned Parenthood, and additional amounts for certain other providers. This bill will require that family planning and STD clinics, most notably Planned Parenthood, which choose to acquire drugs at the heavily discounted rates available through the Medicaid 340B program to bill the state administered Wisconsin Medicaid Program at the actual acquisition cost (rather than their current heavily inflated rate) plus a reasonable dispensing fee. This change will bring Planned Parenthood and other entities back in line with the many other Wisconsin 340 B participants, the majority of other states, and the original 340 B program guidance while saving millions of taxpayer dollars. AB 311 simply directs Medicaid 340B-covered entities to charge back to Medicaid/taxpayers the actual acquisition cost of pharmaceuticals they purchase through the program, plus the dispensing fee allowed through the Wisconsin Medicaid program. While the other Wisconsin 340B program participants have already been following this practice, under Gov. Doyle's administration, special guidance was given in 2009 to Planned Parenthood and a small subset of others to dramatically jack up their billing of taxpayers to the maximum allowable charge, including verbal guidance by the former DHS chief legal counsel during the Doyle administration which negated the previous policy despite being contradicted by Wisconsin's 340 B provider agreement, which indicates that 340 B providers should bill their actual acquisition cost plus a reasonable dispensing fee.

The 340B Drug Discount Program is a federal government program created in 1992 that requires drug manufacturers to provide outpatient drugs to eligible health care organizations/covered entities at bargain basement prices. To illustrate the difference between billing actual acquisition cost and overcharging taxpayers, according to DHS, "in reviewing audits of 340B providers with 2010 dates of service, the OIG found discrepancies in how 340B providers billed for Ortho-Cyclen. One hospital-based 340B pharmacy billed Wisconsin Medicaid \$15 for 84 tablets and the provider was reimbursed \$15. A 340B family planning clinic provider billed Wisconsin Medicaid \$95 for 84 tablets on the same date of service and was reimbursed \$54.23. The ingredient costs ascertained from the invoices reviewed from both providers were nearly identical at \$12.20 and \$12.03 respectively." In other words, without this legislation, 340B program participants will remain free to charge taxpayers for a drug at a rate many, many times more what it cost them to acquire it. Planned Parenthood of Wisconsin has publicly claimed through the media that eliminating their overbilling of taxpayers for drugs acquired through the 340B program would result in a \$4.5 Million annual reduction in their subsidy by taxpayers.



# ANDRÉ JACQUE

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Assembly Bill 311 will return these entities billing to a standard that both the Wisconsin DHS and the federal government feel is important to re-establish. It is important to remember that participation in the 340 B program is voluntary- in fact about half of Wisconsin's family planning providers are not enrolled in 340 B and there are entire states without 340 B program participants. Entities currently taking advantage of the taxpayers through this loophole for the most part existed prior to the establishment of the 340 B program in 1992, and before the billing standard of actual acquisition cost plus a dispensing fee was selectively changed for some providers in 2009. Planned Parenthood operates in many, many states which enforce the actual acquisition cost plus dispensing fee billing requirement for 340 B providers. While I understand that Planned Parenthood and others have enjoyed the significant enhanced taxpayer subsidy gifted them by the Doyle administration, AB 311's elimination of this billing loophole should certainly not cause any 340 B participant to close its doors.

Thank you for your consideration, and I will be happy to answer any questions at this time.



State of Wisconsin  
Department of Health Services

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Scott Walker, Governor  
Kitty Rhoades, Secretary

April 15, 2015

The Honorable State Senator Robert Cowles  
Co-Chair Joint Audit Committee  
118 South, State Capitol  
Madison, WI 53792

The Honorable State Representative Samantha Kerkman  
Co-Chair Joint Audit Committee  
315 North, State Capitol  
Madison, WI 53792

Dear Senator Cowles and Representative Kerkman:

Thank you for your letter regarding the Department of Health Services (DHS) Office of the Inspector General's (OIG) audit efforts related to family planning clinics and the 340B drug program. The specific information requested is provided below.

In August of 2014, the OIG issued Preliminary Findings letters to Family Planning Health Services, Inc. and Newcap WHS related to their compliance with the requirements of the 340B Drug Pricing Program.

Wisconsin Medicaid currently has 95 providers enrolled as Family Planning Clinics. Approximately 50% of these 95 providers are also enrolled as 340B Drug Pricing Program participants. The 340B Program requires drug manufacturers to provide outpatient drugs to eligible safety net health care providers at significantly reduced prices. The focus of the recent Family Planning Health Services, Inc. and Newcap WHS audits was related to their participation in the 340B Drug Pricing Program. These audits were conducted to review whether the entities were billing their actual acquisition cost plus a reasonable dispensing fee.

As is the practice of the OIG, prior to these audits the OIG reviewed all written guidance related to the 340B program including Wisconsin Administrative Code, federal program guidance, Medicaid provider handbooks and provider updates. The OIG relied on the written guidance reviewed in determining the overpayments identified in the preliminary findings stage of the audits.

The written guidance reviewed by the OIG prior to conducting the audits of Family Planning Health Services, Inc. and Newcap WHS indicated that providers in the 340B Program should bill their actual acquisition cost plus a reasonable dispensing fee. This is the policy of many other state Medicaid Programs and was the policy being followed by many non-family planning providers enrolled in the 340B Program in Wisconsin. In fact, in response to a federal DHHS OIG Survey in March of 2010 regarding Wisconsin Medicaid reimbursement

for drugs purchased under the 340B Program, DHS staff indicated 340B participants should bill their actual acquisition cost for 340B purchased drugs.

As outlined in these Preliminary Findings letters, the provider had the opportunity to provide additional information or documentation to support their position to the OIG. Both Family Planning Health Services, Inc. and Newcap WHS provided significant rebuttal documentation and information to support their position.

In reviewing the additional information submitted by Family Health Planning Services, Inc. and Newcap WHS the OIG discovered that a Medicaid Update (2009-06) issued in February 2009 to Family Planning Clinics, HMOs and Other Managed Care Programs, which identified a new reimbursement rate for contraceptive pills for birth control dispensed by family planning clinics, created a different understanding among a small subset of 340B providers (namely family planning clinics).

In reviewing this issue in more depth, the OIG became aware that senior officials of DHS had given verbal instructions in 2009 to a small subset of 340B providers that contradicted the written guidance previously reviewed. This verbal communication related to billing for discounted drugs obtained through the 340B Program. At the time, one of the senior officials involved was the Chief Legal Counsel for DHS who now represents Family Health Planning Services, Inc. and Newcap WHS. The circumstances surrounding this deviation were then discovered in a March 17, 2011 memorandum to then Medicaid Administrator Brett Davis.

This Medicaid Update along with the verbal guidance providers received essentially negated previous policy and as a result family planning clinics billed this new reimbursement rate irrespective of their status as a 340B participant. This occurred despite the fact it contradicted the agreement that providers sign when they enroll in the 340B Program.

Wisconsin Medicaid 340B providers, who were not privy to the verbal guidance provided by senior DHS officials, are currently billing in the manner described above – actual acquisition cost plus a reasonable dispensing fee. To illustrate, in reviewing audits of 340B providers with 2010 dates of service, the OIG found discrepancies in how 340B providers billed for Ortho-Cyclen. One hospital-based 340B pharmacy billed Wisconsin Medicaid \$15 for 84 tablets and the provider was reimbursed \$15. A 340B family planning clinic provider billed Wisconsin Medicaid \$95 for 84 tablets on the same date of service and was reimbursed \$54.23. The ingredient costs ascertained from the invoices reviewed from both providers were nearly identical at \$12.20 and \$12.03 respectively.

The Update 2009-06, combined with the fact that verbal guidance contradicting 340B policy was provided to a small subset of providers, has resulted in the OIG decision to reduce the overpayments identified in their recent preliminary findings letters to family planning clinics.

The OIG has issued Notice of Intent to Recover letters to both agencies. Those letters provide the final overpayment amount the OIG is seeking to recover after reviewing all rebuttal documentation and are enclosed for your reference. The letters also provide Family Health

State Senator Robert Cowles  
State Representative Samantha Kerkman  
Page 3  
April 15, 2015

Planning Services, Inc. and Newcap WHS with information on how to contest the OIG's action with the Division of Hearings and Appeals if they so choose.

The OIG has also issued a memorandum to the Administrator of the DHS Division of Health Care Access and Accountability (DHCAA) recommending that the Medicaid program issue written guidance to providers to clarify the program's policy regarding seeking reimbursement for drugs acquired through the 340B program, and I have directed the Administrator of DHCAA to pursue the OIG's recommendations.


Since 2005, the OIG has conducted thirteen audits of providers enrolled in the 340B Drug Pricing Program. Two of these were of family planning clinics and the remaining eleven audits were of hospital-based pharmacies. The results of these audits are in the attached document.

In addition to family planning clinic audits focused on the 340B Drug Pricing Program, the OIG has conducted and/or overseen other types of audits involving family planning clinics. Since January 2013, the OIG has initiated 38 audits of family planning clinics. These audits include audits conducted by the CMS required Recovery Audit Contractor involving duplicate payments. These audits review claims submitted by the same provider for the same service provided to the same person on the same date of services. In addition, the OIG has conducted audits involving billing for pharmacy claims that exceed specific quantities, a review of prescriptions for disposable medical supplies as well as erroneous payments made after a recipient's date of death.

The audits listed above, whether conducted by OIG staff or its RAC Contractor, were state-initiated audits, but once a Notice of Intent to Recover letter is issued, DHS has up to one year to repay the federal portion of these Medicaid overpayments to the federal government.

Please let us know if you have further questions regarding the status of DHS' audit efforts.

Sincerely,

  
Kitty Rhoades  
Secretary

Enclosures

1. 304B Audit Summary
2. Newcap WHS NIR
3. FHPS NIR

cc: Kevin Moore, Administrator, DHCAA  
Alan White, Inspector General, OIG

**340B Audits 1/1/2005 to Present**

Billing Provider Full Name	Audit Start Date	Overpayment Identified	Overpayment Recovered
FROEDTERT CLINIC PHARMACY	10/2005	\$ 135,256.69	\$ 135,256.69
FROEDTERT HOSP OUTPAT PHARMACY	10/2005	\$ 289,189.72	\$ 289,189.72
UW HOSPITAL &CLINIC PHARMACY	10/2006	\$ 131,224.29	\$ 131,224.29
FROEDTERT CLINIC PHARMACY	9/2008	\$ 11,747.82	\$ 11,747.82
UW HOSPITAL &CLINIC PHARMACY	11/2008	\$ 1,987.14	\$ 1,987.14
FROEDTERT HOSP OUTPAT PHARMACY	9/2008	\$ 31,688.16	\$ 31,688.16
FAMILY HEALTH CENTER OF MARSHFIELD	5/2008	\$ 4,388.62	\$ 4,388.62
ASMC PHARMACY	8/2008	\$ 34,368.39	\$ 34,368.39
FROEDTERT HOSP CANCER CENTER	10/2013	\$ 21,932.46	\$ 21,932.46
NEWCAP WHS	11/2013	\$ 1,548,379.89	TBD
FROEDTERT HOSP OUTPAT PHARMACY	10/2013	\$ 34,710.20	\$ 34,710.20
FROEDTERT CLINIC PHARMACY	9/2013	\$ 12,566.88	\$ 12,566.88
FAMILY PLANNING HEALTHSERVICES	11/2013	\$ 2,324,750.73	TBD
		\$ 4,582,190.99	\$ 709,060.37



OFFICE OF THE INSPECTOR GENERAL

1 WEST WILSON STREET  
P.O. BOX 309  
MADISON WI 53701-0309

Telephone: 608-266-2521  
FAX: 608-267-3380  
TTY: 711 or 800-947-3529  
dhs.wisconsin.gov

Scott Walker  
Governor

Kitty Rhoades  
Secretary

State of Wisconsin

Department of Health Services

April 15, 2015

Jennifer Waloway  
Newcap WHS  
1201 Main Street  
Oconto, WI 54153-1541

Re: Provider Number 42006300  
NPI 1487772836  
Taxonomy Code 261QF0050X  
Case Number 201352981  
Notice of Intent to Recover  
Delivered Via Email

Dear Ms. Waloway:

The purpose of this letter is to notify you that the Department of Health Services intends to recover overpayments made to Newcap WHS in the amount of \$185,074.80.

This amount has been identified as overpayments made to Newcap WHS due to non-covered services. The provider submitted rebuttal documentation on two separate occasions in response to the Preliminary Findings letter from the Department of Health Services. Initial rebuttal documentation was submitted on August 26, 2014 and supplemental documentation was submitted on October 13, 2014.

When a provider submits additional information in response to a Preliminary Findings letter, the DHS Office of the Inspector General (OIG) thoroughly reviews this information in order to ensure the integrity of the audit process. Additionally, it is important to note that prior to any audit, the OIG reviews all written guidance related to the benefit being audited, including Wisconsin Administrative Code, federal program guidance, Medicaid provider handbooks and provider updates.

The OIG became aware through the review of rebuttal documentation submitted by Newcap WHS that employees of this Department had given verbal instructions to a small subset of 340B providers. This verbal communication related to billing for discounted drugs obtained through the 340B Program.

In addition, the OIG discovered that a Medicaid Update (2009-06) issued in February 2009 to family planning clinics, HMOs and other managed care programs, which identified a new reimbursement rate for contraceptive pills for birth control dispensed by family planning clinics, created confusion for some family planning clinics. Since Newcap WHS relied on those instructions when it billed Wisconsin Medicaid, the OIG has determined that it would be unfair to the provider for DHS to request the repayment of these funds.

However, the OIG has issued a memorandum to the Administrator of the DHS Division of Health Care Access and Accountability recommending that the Medicaid program issue written guidance to providers to clarify the program's policy regarding reimbursement for drugs acquired through the 340B Program.



Jennifer Waloway  
Newcap WHS  
April 15, 2015  
Page 2

As in many other states, 340B entities that bill Wisconsin Medicaid should bill their actual acquisition cost plus a reasonable dispensing fee established by the Medicaid Program. It is the understanding of the OIG that 340B providers who were not privy to the guidance mentioned above are currently billing their actual acquisition cost.

To address the impact of the guidance Newcap WHS received from DHS employees, we have reduced the overpayment amounts cited in the Preliminary Findings letter from \$1,169,837.10 to \$185,074.80.

Pursuant to s. 49.45 (2)(a)10, Wis. Stats., and DHS 108.02 (9)(a), Wis. Adm. Code, the Department of Health Services is authorized to recover the overpayments specified above. Section DHS 108.02(9)(b), Wis. Adm. Code, requires that providers return the overpayment to the Department within 30 days of the receipt of this certified letter. If you wish to reimburse the Department directly within the 30-day time frame, you can do so by submitting a check payable to the State of Wisconsin, along with a copy of this letter, and sending it to the following address:

Wisconsin BadgerCare Plus  
ATTN: Cash Unit  
313 Blettner Blvd  
Madison, WI 53784

If you wish to contest this proposed overpayment, you may submit a request for a hearing, which must be received by the Division of Hearings and Appeals within 20 days of the date of your receipt of this letter. The request must be in writing and briefly identify the basis for contesting the proposed recovery. Your written request for a hearing must be mailed, along with a copy of this letter, to the following address:

Division of Hearings and Appeals  
5005 University Avenue, Suite 201  
P.O. Box 7875  
Madison, WI 53707-7875

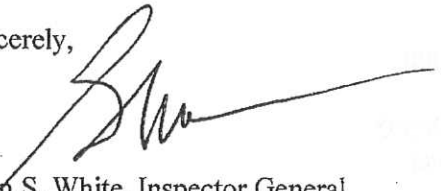
If a timely payment or request for administrative hearing is not submitted, the Department, pursuant to authority conferred under s. 49.45 (2)(a)10, Wis. Stats., will recover the amount identified as being owed by offsetting the amount against pending or future remittances. If there are inadequate remittances, the Department may initiate a separate court action and enforce any subsequent judgment. If a timely request for hearing is submitted, the overpayment will not be recovered pending a hearing decision.

Resolution of this audit does not absolve or release Newcap WHS, its agents or employees from any liability they may have for penalties for violations of s. 49.49, Wis. Stats., in the event that a court determines such violations occurred with respect to the claims which are the subject of this audit.

Jennifer Waloway  
Newcap WHS  
April 15, 2015  
Page 3

Once again, we would like to thank you for your cooperation with the audit staff. If you have any questions regarding this letter, please call Justin Lawfer at (608) 266-0540.

Sincerely,



Alan S. White, Inspector General  
Office of the Inspector General  
Department of Health Services

Enclosure

cc: Diane Welsh  
Cash Unit  
Justin Lawfer  
M-File

F-11114 (10/08)



OFFICE OF THE INSPECTOR GENERAL

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Scott Walker  
Governor

Kitty Rhoades  
Secretary

State of Wisconsin

Department of Health Services

April 15, 2015

Ruth Dayton  
Family Planning Health Services  
719 North Third Avenue  
Wausau, WI 54401-2965

Re: Provider Number 42005000  
NPI 1538152491  
Taxonomy Code 261QF0050X  
Notice of Intent to Recover  
Case ID: 201337479  
Delivered Via Email

Dear Ms. Dayton:

The purpose of this letter is to notify you that the Department of Health Services (DHS) intends to recover overpayments made to Family Planning Health Services in the amount of \$44,706.83.

This amount has been identified as overpayments made to Family Planning Health Services as a result of non-covered services. The provider submitted rebuttal documentation on two separate occasions in response to the Preliminary Findings letter from the Department of Health Services. Initial rebuttal documentation was submitted on August 26, 2014 and supplemental documentation was submitted on October 10, 2014.

When a provider submits additional information in response to a Preliminary Findings letter, the DHS Office of the Inspector General (OIG) thoroughly reviews this information in order to ensure the integrity of the audit process. Additionally, it is important to note that prior to any audit, the OIG reviews all written guidance related to the benefit being audited, including Wisconsin Administrative Code, federal program guidance, Medicaid provider handbooks and provider updates.

The OIG became aware through the review of rebuttal documentation submitted by Family Planning Health Services that employees of this Department had given verbal instructions to a small subset of 340B providers. This verbal communication related to billing for discounted drugs obtained through the 340B Program.

In addition, the OIG discovered that a Medicaid Update (2009-06) issued in February 2009 to family planning clinics, HMOs and other managed care programs, which identified a new reimbursement rate for contraceptive pills for birth control dispensed by family planning clinics, created confusion for some family planning clinics. Since Family Planning Health Services relied on those instructions when it billed Wisconsin Medicaid, the OIG has determined it would be unfair to the provider for DHS to request the repayment of these funds.

However, the OIG has issued a memorandum to the Administrator of the DHS Division of Health Care Access and Accountability recommending that the Medicaid Program issue written guidance to providers to clarify the program's policy regarding reimbursement for drugs acquired through the 340B Program.

Ruth Dayton  
Family Planning Health Services  
April 15, 2015  
Page 2

As in many other states, 340B entities that bill Wisconsin Medicaid should bill their actual acquisition cost plus a reasonable dispensing fee established by the Medicaid Program. It is the understanding of the OIG that 340B providers who were not privy to the guidance mentioned above are currently billing their actual acquisition cost.

To address the impact of the guidance Family Planning Health Services received from DHS employees, we have reduced the overpayment amounts cited in the Preliminary Findings letter.

Pursuant to s. 49.45 (2)(a)10, Wis. Stats., and DHS 108.02 (9)(a), Wis. Adm. Code, the Department of Health Services is authorized to recover the overpayments specified above. Section DHS 108.02(9)(b), Wis. Adm. Code, requires that providers return the overpayment to the Department within 30 days of the receipt of this certified letter. If you wish to reimburse the Department directly within the 30-day time frame, you can do so by submitting a check payable to the State of Wisconsin, along with a copy of this letter, and sending it to the following address:

Wisconsin BadgerCare Plus  
ATTN: Cash Unit  
313 Blettner Blvd.  
Madison, WI 53784

If you wish to contest this proposed overpayment, you may submit a request for a hearing, which must be received by the Division of Hearings and Appeals within 20 days of the date of your receipt of this letter. The request must be in writing and briefly identify the basis for contesting the proposed recovery. Your written request for a hearing must be mailed, along with a copy of this letter, to the following address:

Division of Hearings and Appeals  
5005 University Avenue, Suite 201  
P.O. Box 7875  
Madison, WI 53707-7875

If a timely payment or request for administrative hearing is not submitted, the Department, pursuant to authority conferred under s. 49.45 (2)(a)10, Wis. Stats., will recover the amount identified as being owed by offsetting the amount against pending or future remittances. If there are inadequate remittances, the Department may initiate a separate court action and enforce any subsequent judgment. If a timely request for hearing is submitted, the overpayment will not be recovered pending a hearing decision.

Resolution of this audit does not absolve or release Family Planning Health Services, its agents or employees from any liability they may have for penalties for violations of s. 49.49, Wis. Stats., in the event that a court determines such violations occurred with respect to the claims which are the subject of this audit.

Ruth Dayton  
Family Planning Health Services  
April 15, 2015  
Page 3

Once again, we would like to thank you for your cooperation with the audit staff. If you have any questions regarding this letter, please call Amanda Slater at (608) 266-2155.

Sincerely,



Alan S. White, Inspector General  
Office of the Inspector General  
Department of Health Services

Enclosure

cc: Diane Welsh  
Cash Unit  
Amanda Slater  
M-File

F-11114(10/08)



WIC Program | Health Education and Promotion | Client Advocacy | Reproductive Health Care

Family Planning Health Services operates 10 clinic locations in 9 counties throughout the state of Wisconsin, serving approximate 5,000 female and 400 male clients annually.

Providing health care services that include:

- early pregnancy diagnosis and referral for prenatal care
- early detection of cervical and breast cancer; including diagnostic evaluations for high risk cervical cancer patients
- prevention and treatment of STI/STD's
- referral for domestic or sexual violence services
- well woman exams; HPV screening and vaccinations
- HIV screening and education
- birth control education and services

Under current law Family Planning Health Services along with all Medicaid health care providers are reimbursed below usual and customary fees and cost.

No Medicaid health care provider makes money through Medicaid reimbursement.

AB311 would require further decreases below the cost of providing supplies and delivering services.

This would be like a restaurant asking customers to only pay for the ingredients of their meal, and tipping the wait staff for delivering the food.

The consequences if AB311 passes

- Shift to more expensive pharmacy supplies
- Significantly higher costs to Medicaid
- Based on 3 commonly used supplies, Medicaid reimbursement would increase 221%

Summary;

AB311 will result in significantly higher Medicaid expenses for rural Wisconsin health care providers. Large organizations with national buying power for pharmaceuticals will not be affected by this bill.

## Assembly Bill 311

Cost to the State Medicaid Program if public health pricing is not used.

Family Planning Health Services serves approximately 5,000 patients.

	Number of Patients on the Method	Total Reimbursement with Public Health Pricing that is received now	Total Reimbursement with Non-Public Health Pricing if Bill Passes
Contraceptive Pill #1	3,118	\$1,216,934	\$1,889,163
Contraceptive Pill #2	1,020	\$398,302	\$618,322
Contraceptive Pill #3	862	\$336,264	\$1,807,365
<b>TOTALS:</b>	<b>5,000</b>	<b>\$1,951,500</b>	<b>\$4,314,850</b>

**221% increase** to the State Medicaid Program If this bill passes and forces providers to use non-public health pricing.

## 2014 Health Benefits and Cost Savings of Publicly Funded Family Planning

### Calculated benefits and cost savings based on 5,000 clients per year

# of unintended pregnancies prevented	1,300
# of unplanned births prevented	650
# of abortions prevented	450
# of unplanned births after short (<18 months) interpregnancy intervals prevented	170
# of unplanned preterm/low-birth-weight births prevented	90
Maternal and birth-related gross costs saved from contraceptive services provided	\$8,590,050
Maternal and birth-related gross costs saved from contraceptive services provided	\$8,590,050
# of chlamydia infections prevented	40
Gross costs saved from Pap and HPV testing and vaccinations	\$4,810
Total gross savings	\$8,880,260
Total family planning costs	\$1,084,390
Total net savings	\$7,795,870

**Source:** Health Benefits and Cost Savings of Publicly Funded Family Planning, <http://www.guttmacher.org/broader-benefits/index.html>



My name is Hillary Peterson and I am the Executive Director of Health Care Clinic. We primarily serve patients in: Douglas, Ashland, and Bayfield counties. Thank you for the opportunity to speak to you all today. I appreciate the chance to share some facts with you regarding AB311.

If this bill is passed and made into law, it will have long-term, devastating effects on the taxpayers of Wisconsin.

The Family Planning Only Services Medicaid program, or FPOS, allows low-income citizens to have access to comprehensive services statewide through our network of clinics and county health workers. These services include: education on a variety of health concerns, cancer screenings, and contraception. Under FPOS we are required to spend 50% of a patient's visit on education. This means over half the time a patient is with medical staff, they are receiving education and counseling on a variety of topics from the dangers of smoking and obesity to how to properly take birth control pills so they are most effective. Sexual safety

The clinics within our system receive Title V funding, a good portion of which is funded by the Department of Health, we serve over 18,000 rural patients per year. As we all know, access to quality, rural healthcare is extremely important to the citizens of Wisconsin. To serve these 18,000 rural patients, the operation costs for these DPH funded clinics is \$3,740,710. When looking solely at the number of unwanted pregnancies that are prevented, ignoring other cost saving services we provide, the total net savings for the taxpayers is \$26,793,820.

As this bill is written now, one of two outcomes will occur. The first is: our collective of clinics will close and our patients will have to travel further distances to receive healthcare at private clinics and hospitals, where they may be turned away because they do not have private insurance. If citizens are not turned away, it will cost the taxpayers of Wisconsin more money because private healthcare providers are able to bill Medicaid at higher reimbursement rates than our clinics. The second outcome is: our clinics will be required to purchase drugs at non-340b prices, which will cost substantially more, and we will therefore have to bill Medicaid at higher rates than we are now.

The amount that Medicaid currently reimburses clinics such as ours is far less than what Medicaid is forced to pay private pharmacies for the exact same drugs. This is because the State Health Plan only requires the state to reimburse 10% of the cost; whereas private pharmacies can bill the state for 40% of the cost and leave the remaining 60% to the federal government. This has saved the taxpayers of this state millions of dollars since this was implemented in 2003.

Thank you all very much for your time and attention today. I sincerely hope you all will consider some of the issues I touched on today and how AB 311 would negatively impact the taxpaying citizens of Wisconsin.



FORWARDHEALTH

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313 BLETTNER BLVD  
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TTY: 711 or 800-947-3529

[www.forwardhealth.wi.gov](http://www.forwardhealth.wi.gov)

Scott Walker  
Governor

Kitty Rhoades  
Secretary

## State of Wisconsin

Department of Health Services

### **FAMILY PLANNING CLINIC TERMS OF REIMBURSEMENT**

The Department of Health Services (DHS) will establish maximum allowable fees for all covered family planning services provided to Wisconsin Medicaid members eligible on the date of service. The maximum allowable fees shall be based on various factors, including a review of usual and customary charges submitted to Medicaid, the Wisconsin State Legislature's Medicaid budgetary constraints, and other relevant economic limitations. Maximum allowable fees for immunizations and laboratory procedures may reflect the maximum allowable fees for similar services provided by physicians. Maximum allowable fees may be adjusted to reflect reimbursement limits or limits on the availability of federal funding as specified in federal law.

Providers are required to bill their usual and customary charges for services provided. The usual and customary charge is the amount charged by the provider for the same service when provided to non-Medicaid patients. For providers using a sliding fee scale for specific services, the usual and customary charge is the median of the individual provider's charge for the service when provided to non-Medicaid patients.

For each covered service, the DHS shall pay the lesser of a provider's usual and customary charge or the maximum allowable fee established by the DHS. Medicaid reimbursement, less appropriate copayments and payments by other insurers, will be considered to be payment in full.

The DHS will adjust payments made to providers to reflect the amounts of any allowable copayments that the providers are required to collect pursuant to ch. 49, Wis. Stats.

Payments for deductible and coinsurance payable on an assigned Medicare claim shall be made in accordance with s. 49.46(2)(c), Wis. Stats.

In accordance with federal regulations contained in 42 CFR 447.205, the DHS will provide public notice in advance of the effective date of any significant proposed change in its methods and standards for setting maximum allowable fees for services.

F-01099 (10/08)

# Pro-Life Wisconsin



*Defending them all...*

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**Testimony / Assembly Bill 311, Eliminating Inflated Medicaid Drug Reimbursement for Wisconsin Family Planning Providers  
Assembly Committee on Health  
By Matt Sande, Director of Legislation, Pro-Life Wisconsin**

**September 2, 2015**

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Good morning Chairman Sanfelippo and Committee members. My name is Matt Sande and I serve as director of legislation for Pro-Life Wisconsin. Thank you for this opportunity to express our strong support for Assembly Bill (AB) 311, legislation that would eliminate heavily inflated Medicaid contraceptive drug reimbursement rates for Wisconsin family planning providers. Specifically, AB 311 would reimburse Wisconsin's Medicaid family planning providers, including Planned Parenthood of Wisconsin (PPWI), at actual acquisition cost or the actual cost providers pay for contraceptive drugs under the federal 340B drug program plus the standard Medicaid dispensing fee.

A June 2011 report by the Office of the Inspector General (OIG) in the federal Department of Health and Human Services (DHHS) examined state Medicaid policies and oversight activities related to 340B-purchased drugs. Under the federal 340B Drug Discount Program, pharmaceutical manufacturers are required to provide covered outpatient drugs to eligible health care entities, known as covered entities, at discount prices. Covered entities include family planning clinics, federally qualified health care centers and disproportionate share hospitals. 1993 Health Resources and Services Administration (HRSA) guidelines directed covered entities to bill at actual acquisition cost (AAC) for 340B drugs. In 2000, HRSA redirected covered entities to refer to their respective states' Medicaid policies for appropriate billing practices. Presently, the Affordable Care Act requires the DHHS Secretary to issue new billing methodologies.

In Wisconsin, PPWI and other family planning providers bill Medicaid high above what they actual pay for the heavily discounted 340B birth control drugs. A December 12, 2014 story in the Milwaukee Journal Sentinel reported that Medicaid pays \$26.02 for a month's supply of birth control pills that typically costs family planning organizations between \$9 and \$15. This standard payment is referred to as the "usual and customary charge up to the maximum allowable fee." Assembly Bill 311 would curtail the exorbitant contraceptive drug reimbursement rates for PPWI and other Medicaid family planning providers participating in the 340B drug program by requiring them to bill Medicaid at AAC as most states already do.

According to the OIG DHHS report, 25 states have written policies that direct covered entities to bill Medicaid at cost (AAC) for 340B-purchased drugs. Of the 25 states that do not have written 340B policies, 16 reported that they expect covered entities to bill at AAC. Fifteen of these 16 states reported that they do not have written policies because they believe the 1993 HRSA guidelines to bill at cost are still in effect. Importantly, if a state's Medicaid policy is to bill 340B

(over)

drugs at AAC then the state receives the full benefit of the 340B discount. The 1993 HRSA guidance states that billing at AAC “will assure that the discount to the covered entity will be passed on to the State Medicaid agency.”

From the State of Wisconsin’s perspective, in the interests of good government and fiscal stewardship it is appropriate if not desirable to reimburse 340B drugs at cost. From Pro-Life Wisconsin’s perspective, the confidential provision of abortifacient hormonal birth control drugs, such as the morning-after pill, the patch, and Ella, to adults and minor children should not be publicly funded at all! It is bad enough that millions in taxpayer-funded family planning dollars annually subsidize chemical and surgical abortions through Wisconsin’s Medicaid program, without the piling on that has been occurring with inflated birth control drug reimbursement rates. Assembly Bill 311 provides a common sense approach that will reimburse Medicaid family planning providers, including PPWI, what they actually pay for contraceptive drugs, nothing more and nothing less. If PPWI cannot operate its clinics under this equitable payment model, then they can seek private funding.

By PPWI’s own admission the bill’s enactment would be “clinic closing,” cutting their annual public subsidy by approximately \$4.5 million. So be it. Organizations that perform or refer for abortion should be excluded from any and all public funding. All money is fungible. Family planning funds undeniably free up resources within receiving organizations, like PPWI, to engage in the surgical abortion business. Poll after poll demonstrates that Americans strongly oppose the use of taxpayer funds for abortion.

Thank you for your consideration, and I am happy to answer any questions committee members may have for me.



**WISCONSIN FAMILY ACTION**  
Marriage|Family|Life|Liberty

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**Testimony in Support of Assembly Bill 311**  
**Assembly Committee on Health**  
**Public Hearing, September 2, 2015**  
**Julaine Appling, President, Wisconsin Family Action**

Thank you, again, Chairman Sanfelippo, and members of the committee, for the opportunity to speak in favor of this bill, Assembly Bill 311.

Assembly Bill 311 requires family-planning clinics to bill the state Medicaid program for only the actual acquisition cost of drugs in addition to a standard dispensing fee, saving taxpayers millions of dollars previously plundered by family-planning clinics' overbilling practices in Wisconsin. Late last year, through an audit conducted by the DHS Inspector General, we learned that family-planning clinics have been overbilling the state Medicaid program to the tune of millions of dollars annually through the 340B Drug Discount program, largely for birth control and contraceptive devices.<sup>1</sup> These overbillings are an established practice for family-planning clinics, according to their own accounts, whereby they routinely bill the state Medicaid program for substantially more than they paid to acquire the drugs.

While family-planning clinics may not have been trying to purposely defraud state taxpayers, their questionable billing practices are in fact a misuse of Medicaid funds in Wisconsin. The 340B Drug Discount program was not intended to pad the pockets of family-planning clinics, but to cover the actual cost and a reasonable dispensing fee of discounted drugs for low-income individuals. This bill would reinstate that program intention in the state for the family-planning clinics that utilize the discount program to dispense contraception drugs and devices.

Really, what this comes down to is, why are we treating family-planning clinics any different than we would any other recipients dispensing discounted drugs? I am sure that hospitals and clinics providing other Medicaid and Medicare services to low-income patients would love to be able to bill actual costs for their services to the state, let alone overbill for actual costs. In news articles, the proponents of this overbilling practice claim that prescribing contraceptives is more than just handing over pills.<sup>2</sup> Well, welcome to the world of health care! Prescribing medications and medical devices is always much more than handing over pills or devices—at least health-care providers would say that it should be. That is what the dispensing fee is for—and as I understand it, Wisconsin's reimbursement practices allow for the actual costs of dispensing to be reimbursed. The bill states such a fee should be “reasonable.” The state audit clearly showed significant billing discrepancies between the state and the 340B Drug Discount program recipients. For sake of argument we'll assume the overbillings are the result of misunderstanding the current law. That's why Assembly Bill 311 is needed. It makes the law crystal clear so that there can be no future misunderstanding. I encourage you to support Assembly Bill 311 in committee and on the floor. Thank you for your time and consideration.

<sup>1</sup> *Family planning clinics say state audits could force many to close*, Golden, Kate, Wisconsin Watch, November 2, 2014, available at: <http://wisconsinwatch.org/2014/11/family-planning-clinics-say-state-audits-could-force-many-to-close/>, accessed on July 29, 2015.

<sup>2</sup> *Ibid.*

# Wisconsin Family Planning & Reproductive Health Association



*A statewide professional association of providers, organizations and advocates committed to high quality, low cost and confidential reproductive healthcare services to people of all ages and incomes throughout Wisconsin*

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**TO: ASSEMBLY COMMITTEE ON HEALTH**  
**FROM: BETH HARTUNG, PRESIDENT,**  
**WISCONSIN FAMILY PLANNING & REPRODUCTIVE HEALTH ASSOCIATION**  
**RE: TESTIMONY IN OPPOSITION TO AB 310 & AB 311**  
**DATE: SEPTEMBER 2, 2015**

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I serve as the president of Wisconsin Family Planning Reproductive Health Association (WFP RHA). As president of this professional organization, I am representing the network of Wisconsin's Family Planning clinics throughout the state and the thousands of women and men served by our network of clinics.

Family planning clinics in Wisconsin consist of independent, not-for-profit organizations like First Choice in Janesville and Beloit, Planned Parenthood, and Southwest Neighborhood Health Clinic in Plattville. We also represent public health clinics like those found in St. Croix, Polk, Dunn, Pepin, Waupaca, Douglas, and Oneida counties. The common theme is that we all provide local, affordable and essential healthcare to women and men throughout our state.

The services provided by our network of family planning clinics have also saved Medicaid hundreds of millions of dollars over the years by preventing unintended pregnancies, providing STD prevention, testing, and education, as well as breast and cervical cancer screening. Our services have also saved lives. Often times, clinics represented in our network are the ONLY place women can go for affordable reproductive healthcare. As you consider this bill, I hope you will remember the thousands of women in Wisconsin who walk through our clinic doors each year. They live in your county and they depend on these local clinics for affordable, high quality, essential health care. This network is at risk and I am here today to explain why.

The 340B Drug Pricing Program is a federal program that allows certain safety net healthcare providers to purchase medications at a reduced rate. This discount then allows providers to provide broad, affordable access. The 340B program permits providers to use revenues obtained from medication to support the providers' broader mission, such as providing services to the uninsured or underinsured. The 340B Program is not broken in Wisconsin. Period.

In fact, there are over 700 340B covered entities in Wisconsin, including hospitals, clinics, federally qualified health centers, hemophilia centers, HIV/AIDS organizations, and Indian Health Organizations. However, AB311 does not apply this reimbursement policy to all 340B

providers. Rather, AB311 unfairly limits this reduced Medicaid reimbursement to family planning clinics and STD clinics.

It would do so by requiring that family planning clinics and STD clinics (generally Medicaid Family Planning Providers (PT71)) who are 340B covered entities could only be reimbursed by Medicaid for their actual acquisition cost and a nominal dispensing fee on any provider-dispensed medication. Simply put, this bill proposes that Medicaid would reimburse family planning clinics and STD clinics far less than what Medicaid pays for-profit pharmacies.

If Medicaid reimbursement is limited only to "acquisition cost" and a nominal dispensing fee, then clinics would suffer a financial loss each and every time they provide prescription drugs to patients and bill Medicaid. I am sure you understand that there are many costs involved with acquiring, stocking, tracking, disposing of, and dispensing any product in any sustainable business model. Because this reimbursement method is unsustainable, many independent providers would have to consider opting out of the 340B program and therefore not use 340B medications for Medicaid patients. This action would significantly drive up Medicaid costs because it would allow family planning clinics to seek higher rates of reimbursement. Other providers in the network, specifically those found in local health departments, may be forced to reconsider whether or not it is fiscally sound to continue providing family planning services and close their doors. This would not be good for Wisconsin's women, men, families, or our economy.

AB 310 is also problematic for our network. No evidence has been identified which would support an attempt to shift Title X funds away from Planned Parenthood and other Title X sub-grantees in Wisconsin. By all accounts, the existing Title X programs in Wisconsin serves us well. Any attempt to weaken Title X clinics, weakens all of us.

In closing AB 311 and AB 310 are morally and fiscally bad for Wisconsin. It places our existing strong network of family planning clinics in jeopardy and puts the public health at risk. WFPRHA membership urges you remember the women served by our network of clinics and to oppose AB 310 & AB 311.



Planned Parenthood Advocates of Wisconsin

To: Wisconsin Assembly Health Committee  
From: Nicole Safar  
Jennifer Lewis  
Date: September 2, 2015  
Re: Vote NO on AB 310 and AB 311

Planned Parenthood of Wisconsin (PPWI) is the states oldest and most trusted women's health care provider. PPWI offers confidential, non-judgmental reproductive health care at 22 sites across the state providing services to 60,000 patients a year.

PPWI is proud to be celebrating **80 years serving** Wisconsin's communities. One in five women has trusted us with their health care needs from breast and cervical cancer screenings, annual wellness exams, birth control, STD testing and treatment, HIV testing, abortion care, and education and referrals for prenatal care, mammograms, and cancer care.

PPWI is part of a larger network of safety net providers in Wisconsin that serve uninsured and underinsured women. There are **336,000 Wisconsin women** in need of affordable reproductive health care. The current network of family planning providers serves 87,000 of these women in need. The women's health network is funded primarily from three public sources: federal Title X funds; state Maternal and Child Health Title V funds that pass through the state; and Medicaid, the state/federal partnership. These funds make up a community based statewide system of providers.

Health care services available include: early pregnancy diagnosis and referral for prenatal care; early detection of cervical and breast cancer, including diagnostic evaluations for high risk cervical cancer patients; prevention and treatment of STDs; referral for domestic or sexual violence services; well woman exams; HPV screening and vaccinations; HIV education and screenings; birth control counseling and services, including Long Acting Reversible Contraceptives (LARCs). (*State Facts on Publicly Funded Family Planning Services: Wisconsin*, Guttmacher Institute, 2014)

*Neither federal nor state dollars can be used for abortion services in Wisconsin.*

This network of providers, of which PPWI is the largest, prevents more abortions each year than the bills' author, Rep. Andre Jacque, will ever hope prevent. New research from the Guttmacher Institute demonstrates that safety net women's health providers in Wisconsin prevented **21,200 unintended pregnancies**, which would likely have resulted in **7,200 abortions in 2013**. The sponsors of these two bills have prevented a total of ZERO abortions through all of their harassment and intimidation of Wisconsin's women's health providers.

Continued efforts to restrict women's access to Planned Parenthood or other safety net health care providers pose a risk to the health and well-being of women and families. In addition, further cuts to women's health providers in Wisconsin will result in higher Medicaid costs for the state because these public health providers save the state and federal government over **\$170 million** each and every year.

**Please vote No on AB 310.**

This attempt to redirect Title X funds from the current grantee, PPWI, to the Department of Health Services (DHS) is misguided. In Wisconsin, PPWI has been the grantee of Title X for over 35 years—under both Democratic and Republican Administrations. The most recent grant was issued in the spring of 2015, which indicates that the bill's sponsors are so



*Planned Parenthood Advocates of Wisconsin*

unaware of the programmatic mechanics because the next grant cycle will not begin until 2020. This is hardly a time sensitive matter to rush through the state legislature

- PPWI receives approximately \$3.4 million dollars annually for preventative based care and distributes a portion of those funds to 2 other private providers.
- In WI there are 9 PPWI Title X sites and 9 additional non-PPWI sites that use federal Title X funding.
- Approximately 50,000 men and women are served under this funding stream each year.

This bill would require DHS to apply for the funds and distribute to other public entities, provided those entities do not provide, refer for, or discuss abortion care. There are some important considerations for the committee before passing this bill.

- The Title X program requires recipients provide women with all options pregnancy counseling, which includes continuing a pregnancy, adoption and abortion. Would DHS comply with the basic principles of this program? It is unlikely considering the bill's language is in conflict with this basic Title X requirement.
- The State of Wisconsin does not have a plan to effectively serve the 50,000 patients currently receiving care under the Title X program. There have been no discussions with public health entities about the absorption of these patients by other providers.
- The Walker DHS has taken public health dollars away from Planned Parenthood on numerous other occasions with no plan to ensure the services continue, leaving women without critical care. The track record is clear:
  - In 2011, the Walker DHS took away state Title V dollars from PPWI in 9 Wisconsin counties. These cuts led to the closure of five rural Planned Parenthood health centers and the loss of 18,848 health services for 3,104 women and men each year. Since these closures, no other safety net provider has opened to provide coverage in these communities and Wisconsin women have paid the price.
  - In 2012, the Walker DHS took away critical Well Women Program coordination dollars that PPWI had been using to provide cancer screenings and care coordination for women in the Fox Valley for 30 years. After making the cuts, the state had no plan for the program leaving two thousand women without even basic information where they could go to continue critical cancer care. PPWI, along with Winnebago and Outagamie Counties, stepped in to ensure continuity of care for women in the Fox Valley and the counties solved the access problem with no assistance from Walker's DHS.

Legislators like this bill's sponsors and Governor Walker cannot be trusted when they say "Women will just go somewhere else." Women have been left without critical care time and time again by these political attacks on Planned Parenthood.

**Please vote NO on AB 311.**

This bill is an attempt to drastically reduce the public health drug pricing under the federal 340B program, which applies to certain safety-net providers like PPWI and the family planning network in WI. Currently, safety net reproductive



**Planned Parenthood Advocates of Wisconsin**

health providers are reimbursed for usual and customary charges **at a rate set by the state Medicaid program** to cover the cost of the drugs and the cost of providing the drugs to patients (counseling patients, stocking, tracking, dispensing by licensed health care professionals).

Since 2011, Planned Parenthood and the full range of services we provide to women, men and families have been a political target in this state. This legislature has passed and Governor Walker has signed a total of 12 policies that take away essential health care – including five abortion restrictions, two of which are being litigated in the courts because they are unconstitutional. These continued efforts to threaten safety net providers like Planned Parenthood would cut tens of thousands of people off from critical preventive care.

PPWI urges you to vote NO on AB 310 and 311 and protect the high quality, affordable care that Wisconsin women and men depend on.



**Profit. No Matter What.**

**Alliance Defending Freedom's Annual Report on Publicly Available Audits of  
Planned Parenthood Affiliates and State Family Planning Programs**

July 23, 2014

### Preface

On October 26, 2011, Alliance Defending Freedom<sup>1</sup> submitted its original report, *Summary of State Audits of Planned Parenthood Affiliated Providers Showing Waste, Abuse, and Potential Fraud*, to the Oversight and Investigations Subcommittee of the U.S. House of Representatives Energy and Commerce Committee. On February 7, 2012, the updated and supplemented initial report was released to the public, and on April 10, 2013, Alliance Defending Freedom published its second annual report, *Planned Parenthood's Waste, Abuse, and Potential Fraud: Alliance Defending Freedom's 2013 Report on Federal and State Audits of Planned Parenthood Affiliates and State Family Planning Programs*.

This third annual report documents Alliance Defending Freedom's research in identifying waste, abuse, and potential fraud of American taxpayer dollars by Planned Parenthood Federation of America (PPFA), its sixty-eight separately incorporated affiliates, and other abortion and family planning facilities, particularly with respect to federal and state Title XIX-Medicaid reimbursements. Updates in this 2014 edition include new Planned Parenthood audits in California, Louisiana, Maine, Washington State, and Wisconsin; new federal audits of state family planning programs in California, Iowa, Missouri, Nebraska, and Oklahoma; another unsealed False Claims Act lawsuit against Planned Parenthood; and more complete information on Planned Parenthood and other abortion and family planning facilities' other financial malfeasance.

Alliance Defending Freedom's research strongly suggests that Planned Parenthood and its affiliates are engaged in a pattern of practices designed to maximize their bottom-line revenues through billings to complex, well-funded federal and state programs that are understaffed and rely on the integrity of the provider for program compliance.<sup>2</sup>

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<sup>1</sup> Alliance Defending Freedom is an alliance-building legal ministry advocating for religious liberty, the sanctity of life, and marriage and family.

<sup>2</sup> Over the last ten years (FY 2004 - FY2013), Planned Parenthood affiliates received over \$4 billion in taxpayer dollars. According to their own annual reports, Planned Parenthood has received government funding in the following amounts from 2002-2013:

A large and growing number of federal and state audits have documented that improper practices by Planned Parenthood and state family planning agencies have already resulted in losses to the American taxpayer of more than \$115 million, as a minimum, in Title XIX-Medicaid and other healthcare funding programs. This figure is supported by a recent U.S. Government Accountability Office (GAO) report

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FY 2002: \$240.9 million	FY 2006: \$305.3 million	FY 2010: \$487.4 million
FY 2003: \$254.4 million	FY 2007: \$336.7 million	FY 2011: \$538.5 million
FY 2004: \$265.2 million	FY 2008: \$349.6 million	FY 2012: \$542.4 million
FY 2005: \$272.7 million	FY 2009: \$363.2 million	FY 2013: \$540.6 million

FY 2013 is the first year since FY 2002 that Planned Parenthood's self-reported government funding has decreased.

However, the U.S. Government Accountability Office (GAO), counting only a fraction of direct federal funding from self-reported expenditures, calculated Planned Parenthood's government funding and expenditures from 2002-2009 as \$657.1 million, with International Planned Parenthood Federation receiving \$3.9 million. *See* U.S. GOVERNMENT ACCOUNTABILITY OFFICE, FEDERAL FUNDS: FISCAL YEARS 2002-2009 OBLIGATIONS, DISBURSEMENTS, AND EXPENDITURES FOR SELECTED ORGANIZATIONS INVOLVED IN HEALTH-RELATED ACTIVITIES (GAO-10-533R) (2010), at Table 7, *available at* <http://www.gao.gov/new.items/d10533r.pdf>; *see also id.* at Tables 10, 16, 18. For the same time period, Planned Parenthood's annual reports report total government funding of \$2.388 billion – leaving only a fraction of Planned Parenthood's funding audited by GAO, the federal government's "watchdog."

Moreover, in FY 2012 alone, Planned Parenthood spent millions of dollars to elect politicians who support abortion and who defend and shield Planned Parenthood from any serious audit or investigation or other congressional oversight – including \$12 million for President Barack Obama's reelection alone. *See, e.g.,* Alicia Mundy, *Planned Parenthood PAC Airs Radio Ad for Obama*, WALL ST. J. (Oct. 31, 2012), *available at* <http://blogs.wsj.com/washwire/2012/10/31/planned-parenthood-pac-air-radio-ad-for-obama/>.

Through the fourth quarter of 2013, Planned Parenthood's campaign contributions top \$30 million (\$30,129,374, not including contributions under \$200 or "accounting measures and more exotic contribution types"). INFLUENCE EXPLORER, PLANNED PARENTHOOD, [HTTP://INFLUENCEEXPLORER.COM/ORGANIZATION/PLANNED-PARENTHOOD/A3BF2B2A33A84534A706A2D04C52DE95](http://INFLUENCEEXPLORER.COM/ORGANIZATION/PLANNED-PARENTHOOD/A3BF2B2A33A84534A706A2D04C52DE95). Also through the fourth quarter of 2013, Planned Parenthood has spent over \$11 million on lobbying efforts (\$11,025,514). *Id.* For other general information on political influence, *see also, e.g.,* INFLUENCE EXPLORER, ADVISORY COMMITTEE DATA FOR PLANNED PARENTHOOD, <http://data.influenceexplorer.com/faca/#YWZmaWxpYXRpb249UGxhbm5lZCUyQlBhcmVudGhvb2Q=> (noting that four Planned Parenthood employees have sat on U.S. Department of Health and Human Services committees).

For the 2014 elections, Planned Parenthood has already announced plans to spend \$3 million in Texas alone, on races such as Sens. Wendy Davis for governor and Leticia Van de Putte for lieutenant governor. *See* Peggy Fikac & David Saleh Rauf, *Planned Parenthood Aiming to Spend \$3 Million on Texas Elections in 2014*, HOUSTON CHRONICLE (July 19, 2014), *available at* <http://www.houstonchronicle.com/news/politics/texas/article/Planned-Parenthood-aiming-to-spend-3-million-on-5633359.php>.

estimating that \$14.4 billion of federal Medicaid expenditures for fiscal year 2013 were improper payments.<sup>3</sup> Yet it is troubling that all the audits conducted to date have been relatively superficial; thus far none has examined more than a small subsection of a provider's billings. Thus, the total amount of waste is likely many times the documented \$115 million. Clinics that provide Title XIX-Medicaid and other subsidized family planning services must be held accountable for their expenditure of taxpayer dollars through comprehensive audits of their entire clinic networks and by congressional oversight. American tax dollars should be used responsibly and for the common good.

More and more members of Congress are taking notice of Planned Parenthood's abuse of taxpayer dollars. A February 21, 2013, letter from Representative Diane Black (R-TN) and Representative Pete Olson (R-TX) and signed by seventy other Members of Congress was directed to the Comptroller General of the United States requesting that the U.S. Government Accountability Office (GAO) conduct a comprehensive audit of the receipt and use of federal taxpayer dollars – more than \$540 million in FY 2013 – by Planned Parenthood Federation of America and its related entities. On August 5, 2013, Members of Congress announced that GAO had accepted the request and had opened an investigation into Planned Parenthood, the Guttmacher Institute, and other prominent family planning organizations.

This recent congressional request follows the September 15, 2011, request by U.S. Representative Cliff Stearns, then Chairman of the Oversight and Investigations Subcommittee of the United States House of Representatives Energy and Commerce Committee, to PPFA President Cecile Richards for documents relating to “institutional practices and policies [of PPFA and its affiliates] . . . and its handling of federal funding,” and particularly as regards its compliance with federal

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<sup>3</sup> U.S. GOVERNMENT ACCOUNTABILITY OFFICE, MEDICAID PROGRAM INTEGRITY: INCREASED OVERSIGHT NEEDED TO ENSURE INTEGRITY OF GROWING MANAGED CARE EXPENDITURES (GAO-14-341) (2014), at 2 (citing a figure calculated by the Centers for Medicare & Medicaid Services (CMS), the federal agency within the Department of Health and Human Services (HHS) that oversees Medicaid).

restrictions on the funding of abortion.<sup>4</sup> The subcommittee demanded that Planned Parenthood produce its documents relating to audits, abortion funding, and sexual abuse reporting policies.

In response to this investigation, seven former Planned Parenthood employees, including clinic directors and an “abortion doctor,” wrote to the U.S. House Energy and Commerce Committee supporting the investigation, “not only . . . with respect to the use of tax dollars but also . . . to serve the best interest of women . . . .”<sup>5</sup> In addition to attesting to their knowledge of Planned Parenthood’s use of abortion as a method of family planning, biased abortion counseling, and failure to report statutory rape, coerced abortion, and human trafficking, these seven former Planned Parenthood employees stated that “PPFA failed to properly account for and maintain separation between government funds prohibited from use for elective abortions and [other, unrestricted] funds . . . .”<sup>6</sup> Further, “PPFA failed to engage in appropriate financial controls and billing practices to ensure compliance with applicable state and federal laws.” The former employees expressed concern that the “American people . . . are underwriting the growth of Planned Parenthood and its potent outreach to the young and the poor,” even as the organization acted and “operated as a law unto itself . . . exempt[] from the normal standards of accountability . . . .”

Coupled with this report, the recent letter from seventy-two Members of Congress and GAO investigation, the Oversight and Investigation letter and

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<sup>4</sup> Letter from Cliff Stearns, Chairman, U.S. House of Representatives Energy and Commerce Committee Subcommittee on Oversight and Investigations, to Cecile Richards, President, Planned Parenthood Federation of America (Sept. 15, 2011) (on file with Alliance Defending Freedom and available at <http://www.scribd.com/doc/66564569/Stearns-Planned-Parenthood>).

<sup>5</sup> Letter from Catherine Adair et al., former employees of Planned Parenthood affiliates, to Fred Upton, Chairman, U.S. House of Representatives Energy and Commerce Committee, & Henry Waxman, Ranking Member, U.S. House of Representatives Energy and Commerce Committee (Dec. 7, 2011) (on file with Alliance Defending Freedom and available at [http://www.sba-list.org/sites/default/files/content/shared/12.7.11\\_former\\_employees\\_of\\_planned\\_parenthood\\_letter\\_to\\_congress\\_0.pdf](http://www.sba-list.org/sites/default/files/content/shared/12.7.11_former_employees_of_planned_parenthood_letter_to_congress_0.pdf)).

<sup>6</sup> This form of waste, abuse, and potential fraud was also documented in the HHS-OIG audit of Tapestry Health Systems, Inc., described below in the Audits of Other Nonprofit Abortion and Family Planning Facilities section.

investigation, and the former employees' letter calling for a "check and balance" on Planned Parenthood, highlight the need for meaningful Congressional oversight in order to have any hope of achieving transparency, integrity, and accountability in all federal family planning programs, including Title V, Title X, Title XIX, and Title XX programs, and particularly for Planned Parenthood, which receives more than half a billion dollars of these funds each year, to be held accountable for the federal taxpayer dollars it expends.



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**TYPES OF UNLAWFUL BILLING IDENTIFIED IN AUDITS**

1. Billing and being reimbursed by Title XIX agencies for medications and/or services provided in connection with an abortion procedure in violation of the Hyde Amendment (a process known as “unbundling”);
2. Dispensing prescription drugs, including oral contraceptives, without an authorizing order by a physician or other approved healthcare practitioner;
3. Dispensing prescription drugs, including oral contraceptives, to patients who have moved or have not been seen by the clinic for more than a year;
4. Billing in excess of actual acquisition cost or other statutorily approved cost for contraceptive barrier products, oral contraceptives, and emergency contraceptive-Plan B (i.e., § 340B drugs) products;
5. Billing for services that were not medically necessary;
6. Billing for services that were not actually rendered;
7. Duplicate billing for examinations and products, including billing included products and services as fee for service;
8. Incorrectly coding and billing services;
9. Inadequate record-keeping, including lacking documentation to support the service billed and paid and not signing medical entries; and
10. Failing to pay the bills for which an affiliate had already been reimbursed with taxpayer funds.

program; continued violations could result in suspension or termination of their eligibility to receive services. Further, PPINW was instructed to repay \$629,142.88, plus interest. PPINW settled with the state for \$345,000.<sup>64</sup>

#### Washington Audit III – Great Northwest

In May 2012, Planned Parenthood of the Great Northwest (PPGNW) reimbursed the Medicaid program \$11,453 as a result of a sample audit<sup>65</sup> conducted by the Washington Medicaid Fraud Control Unit (MCFU) as the result of complaints from concerned citizens alleging “questionable billing practices.” Additionally, one portion of the audit that related to a particular type of contraceptive billing was provided to the U.S. Attorney’s office for independent investigation.

#### Wisconsin Audits

In response to an open records request submitted by Alliance Defending Freedom and allies with Pro-Life Wisconsin, the State of Wisconsin released twenty-six audits it conducted of Planned Parenthood of Wisconsin from 2006-2012. In many cases Planned Parenthood of Wisconsin’s individual clinics were contacted separately, and these were considered different audits; such audits have been grouped in this report. In sum, these twenty-six audits uncovered total potential overpayments of at least \$43,272.80. All but the last audit were conducted and released under the administration of Wisconsin Governor Jim Doyle, a pro-choice Democrat.

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<sup>64</sup> See Kevin Graman, *Spokane’s Planned Parenthood Fined by State*, THE SPOKESMAN-REVIEW, Oct. 29, 2010, <http://www.spokesman.com/stories/2010/oct/29/spokanes-planned-parenthood-fined-state/>.

<sup>65</sup> Audit # 09-04-08, of Yakima County. Alliance Defending Freedom is working to obtain full audit records.

Wisconsin Audits I-IV - August 2006

August 2006 audits<sup>66</sup> of payments to Planned Parenthood of Wisconsin clinics for physician office visits found that Planned Parenthood was billing for non-covered services, with total overpayments of \$1,990.16.

The Wisconsin Department of Health and Family Services conducted these audits to ensure that billed office visits were legitimately covered. CPT Guidelines provide that an Evaluation and Management Service may be billed along with a Preventive Medicine Service only if a significant, separately identifiable Evaluation and Management Service was provided by the same physician on the same date; an insignificant problem encountered in the process of the Preventive Medicine Service should not be reported. Planned Parenthood was billing for both such "visits."

The audits found a total overpayment of \$1,990.16:

- # 2006 37543 (Milwaukee - West Wisconsin Avenue): \$450.39
- # 2006 50088 (Kenosha): \$1,276.31
- # 2006 96759 (Milwaukee - North Jackson Street): \$135.18
- # 2006 98176 (Milwaukee - North Jackson Street): \$128.28

The audits recommended that Planned Parenthood review the Wisconsin Administrative Code and the Wisconsin Medicaid Provider Handbook for provider documentation and billing procedures, and that Medicaid seek repayment for undocumented claims.

Wisconsin Audit V - September 2006

A September 2006 audit<sup>67</sup> of payments to Planned Parenthood of Wisconsin found that Planned Parenthood was billing for duplicate and incorrect services, with overpayments of \$74.28.

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<sup>66</sup> The audits of Planned Parenthood of Wisconsin clinics in Kenosha (2006 50088), Milwaukee – North Jackson Street (2006 96759 and 2006 98176), and Milwaukee - West Wisconsin Avenue (2006 37543) were conducted of the period Jan. 1, 2003, through Sep. 30, 2003.

<sup>67</sup> The audit (2006 05090) was conducted of the period Jan. 1, 2005, through Dec. 31, 2005.

The Wisconsin Department of Health and Family Services conducted this audit of providers that billed for services that were also performed and billed by another provider. Planned Parenthood was billing both for complete procedures, and then again separately for the professional or technical component of the same procedure, when only the professional or technical component should have been billed.

The audit recommended that Planned Parenthood review the Wisconsin Administrative Code and the Wisconsin Medicaid Provider Handbook for provider documentation and billing procedures, and that Medicaid seek repayment.

Wisconsin Audits VI-XIII - July 2007

July 2007 audits<sup>68</sup> of payments to Planned Parenthood of Wisconsin clinics for physician office visits found that Planned Parenthood was billing for non-covered services, with total potential overpayments of \$5,819.91.

The Wisconsin Department of Health and Family Services conducted these audits to ensure that billed office visits were legitimately covered. CPT Guidelines provide that an Evaluation and Management Service may be billed along with a Preventive Medicine Service only if a significant, separately identifiable Evaluation and Management Service was provided by the same physician on the same date; an insignificant problem encountered in the process of the Preventive Medicine Service should not be reported. Planned Parenthood was billing for both such "visits."

The audits found a total potential overpayment of \$5,819.91:

- # 2007 03883 (Appleton): \$368.51
- # 2007 27407 (Madison): \$467.02
- # 2007 29154 (Sheboygan): \$381.99
- # 2007 49325 (Waukesha): \$404.59
- # 2007 66774 (Milwaukee): \$2,533.46

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<sup>68</sup> The audits of Planned Parenthood of Wisconsin clinics in Appleton (2007 03883), Chippewa Falls (2007 70591), Fond du Lac (2007 86622), Kenosha (2007 88039), Madison (2007 27407), Milwaukee (2007 66774), Sheboygan (2007 29154), and Waukesha (2007 49325), were conducted of the period Oct. 1, 2003, through Sep. 30, 2005.

- # 2007 70591 (Chippewa Falls): \$277.31
- # 2007 86622 (Fond du Lac): \$613.19
- # 2007 88039 (Kenosha): \$773.84

The Planned Parenthood clinics were invited to submit rebuttal documentation to demonstrate that the claims were legitimate, but the clinics in Madison, Milwaukee, and Waukesha, at least, did not do so within thirty days as required.

The audits recommended that Planned Parenthood review the Wisconsin Administrative Code and the Wisconsin Medicaid Provider Handbook for provider documentation and billing procedures, and that Medicaid seek repayment for undocumented claims.

#### Wisconsin Audit XIV - October 2010

An October 2010 audit<sup>69</sup> of payments to Planned Parenthood of Wisconsin found that Planned Parenthood was billing for duplicate services, with potential overpayments of at least \$1,864.42.

The Wisconsin Department of Health and Family Services noted that the quantities billed by Planned Parenthood were excessive relative to the standard usage, or the dollar amount billed was inconsistent with the quantity billed. All the claims related to contraceptive implants and patches.

The audit recommended that Planned Parenthood review the Wisconsin Administrative Code and the Wisconsin Medicaid Provider Handbook for provider documentation and billing procedures, that Planned Parenthood review and complete an attached report and include a copy of each physician clinic note, and that Medicaid seek repayment.

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<sup>69</sup> The audit (2010 53629) was conducted of the period Jan. 1, 2009, through Dec. 31, 2009.

Wisconsin Audits XV-XXV - December 2010

December 2010 audits<sup>70</sup> of payments to Planned Parenthood of Wisconsin clinics found that Planned Parenthood was billing for duplicate services, with total potential overpayments of \$31,319.77.

The Wisconsin Department of Health and Family Services conducted these audits to identify claims billed by Planned Parenthood for the same code, to the same recipient. The audits found that Planned Parenthood was likely billing multiple times for each listed intrauterine contraception device (IUD).

The audits found a total potential overpayment of \$31,319.77:

- # 2010 15792 (Madison): \$800.00
- # 2010 38805 (Milwaukee - West Wisconsin Avenue): \$5,139.71
- # 2010 55068 (Kenosha): \$1,968.71
- # 2010 75330 (Beaver Dam): \$2,096.00
- # 2010 22240 (Racine): \$13,270.11
- # 2010 34897 (Green Bay): \$468.71
- # 2010 39809 (Waukesha): \$2,198.13
- # 2010 40664 (Shewano): \$700.00
- # 2010 46459 (Chippewa Falls): \$3,200.00
- # 2010 58443 (Fond du Lac): \$1,100.00
- # 2010 84963 (Milwaukee - South 7th Street): \$378.40

The Planned Parenthood clinics were invited to submit rebuttal documentation to demonstrate that the claims were legitimate, but the clinics in Beaver Dam, Chippewa Falls, Fond du Lac, Kenosha, Milwaukee - South 7th Street, Milwaukee - West Wisconsin Avenue, Racine, Shewano, and Waukesha, at least, did not do so within thirty days as required.

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<sup>70</sup> The audits of Planned Parenthood clinics in Beaver Dam (2010 75330), Chippewa Falls (2010 46459), Fond du Lac (2010 58443), Green Bay (2010 34897), Kenosha (2010 55068), Madison (2010 15792), Milwaukee - South 7th Street (2010 84963), Milwaukee - West Wisconsin Avenue (2010 38805), Racine (2010 22240), Shawano (2010 40664), and Waukesha (2010 39809) were conducted of the period Jan. 1, 2007, through Dec. 31, 2009.



The audits recommended that Planned Parenthood review the Wisconsin Administrative Code and the Wisconsin Medicaid Provider Handbook for provider documentation and billing procedures, that Planned Parenthood review and complete an attached report and include a copy of each physician clinic note and invoice for the product, and that Medicaid seek repayment.

Wisconsin Audit XXVI - August 2012

An August 2012 audit<sup>71</sup> of payments to Planned Parenthood of Wisconsin found that Planned Parenthood was billing for duplicate services, with overpayments of \$2,204.26.

The Wisconsin Department of Health and Family Services noted that the quantities billed by Planned Parenthood were excessive relative to the standard usage, or the dollar amount billed was inconsistent with the quantity billed. All the claims related to intrauterine contraception devices (IUDs), progesterone contraceptive injections, vaginal rings, and contraceptive patches.

The audit recommended that Planned Parenthood review the Wisconsin Administrative Code and the Wisconsin Medicaid Provider Handbook for provider documentation and billing procedures, that Planned Parenthood review and complete an attached report and include a copy of each physician clinic note, and that Medicaid seek repayment.

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<sup>71</sup> The audit (2012 18225) was conducted of the period Jan. 1, 2010, through Dec. 31, 2010.

**ACTION STEPS FOR INCREASED OVERSIGHT OF PLANNED PARENTHOOD AND  
STATE FAMILY PLANNING PROGRAMS**

Alliance Defending Freedom applauds Representative Diane Black, Representative Pete Olson, and other Members of Congress for their February 21, 2013, letter requesting that GAO conduct a comprehensive audit of the receipt and use of federal taxpayer dollars by Planned Parenthood Federation of America and its related entities, and GAO for accepting the request and opening an investigation into Planned Parenthood, the Guttmacher Institute, and other prominent family planning organizations.

Alliance Defending Freedom now urges congressional oversight committees, state attorneys general, and other relevant federal and state entities to:

1. Vigorously pursue the current GAO investigation seeking, among other things, “up-to-date information regarding federal funding of Planned Parenthood and other specific organizations.”
2. Continue and complete the investigation begun in September 2011 by the House Energy and Commerce Committee’s Oversight and Investigations Subcommittee into PPFA and its affiliates’ use of federal funding and compliance with federal abortion funding restrictions.<sup>112</sup>
3. Empower auditors and state Medicaid Fraud Control Units (MFCUs) to investigate, prosecute, and recover overbilling practices including:
  - a. contraceptive overprescription, often through the use of mandatory, opt-out programs such as Pills by Mail, C-Mail, and Quarterly Contraceptive Kits (each containing 3 months of pill or patch, 24 male condoms, 3 female condoms, and 1 emergency contraceptive pill package), which are automatically mailed to Medicaid beneficiaries after Planned Parenthood calculates that

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<sup>112</sup> See MEDICAID CONTRACTOR BENEFICIARY AND PROVIDER COMMUNICATIONS MANUAL, 60.3.2.4-CONGRESSIONAL INQUIRIES TIMELINESS (2014), available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R29COM.pdf> (congressional inquiries must be responded to within ten business days of receipt).

- 75% of the original prescription has been used, leading to stockpiling, and which may be sent to women no longer using these contraceptives or no longer at the original address;
- b. billing contraceptives at much higher than actual acquisition cost, often a 900% markup;
  - c. 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; and
  - d. miscoding claims in order to maximize revenues, resulting in overbilling and an incorrect medical record that would not provide an accurate history to doctors who see the patient in the future.
4. 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.<sup>113</sup>
  5. 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,<sup>114</sup> and to encourage legitimate whistleblowers to come forward.
  6. Update state Medicaid regulations relating to prescription refill frequency and maximum prescription reimbursement amount.
  7. Investigate whether Planned Parenthood is double-dipping by billing Medicaid (and thus federal taxpayers) for services that the Susan G. Komen foundation and its donors are already paying it to provide.

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<sup>113</sup> See U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES, OFFICE OF INSPECTOR GENERAL, RECOVERY ACT OVERSIGHT, <https://oig.hhs.gov/recovery-act-oversight/>.

<sup>114</sup> See U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES, OFFICE OF INSPECTOR GENERAL, STATE FALSE CLAIMS ACT REVIEWS, <https://oig.hhs.gov/fraud/state-false-claims-act-reviews/index.asp>.

Alliance Defending Freedom offers information on how to detect and address waste, abuse, and potential fraud to any interested government oversight entity. This audit report only adds to the urgency and necessity of such oversight.

**APPENDIX: CALCULATIONS**

The tables below demonstrate the calculations by which Alliance Defending Freedom determined the averages and other figures above.

**Audits of Planned Parenthood Affiliates**

State Audit	Audited Years	Total Overbilling	Overbilling by Audited Year
California	1	\$5,213,645.92	\$5,213,645.92
Connecticut	*	\$18,791.00	*
Illinois	2	\$387,000.00	\$193,500.00
Louisiana	1	\$6,147.18	\$6,147.18
Louisiana	1	\$0	\$0
Maine	5.02	\$33,294.83	\$6,632.44
New York - I	*	\$207,809.00	*
New York - II	1	\$15,723.91	\$15,723.91
New York - III	2	\$1,254,603.00	\$627,301.50
New York - IV	1	\$886.26	\$886.26
[New York - V	3	\$112,490.31	\$37,496.77
[New York - VI	3	\$12,031.29	\$4,010.43
[New York - VII	3	\$11,539.48	\$3,846.49
Texas	*	\$409,675.10	*
Washington - I	*	*	*
Washington - II	2.96	\$629,142.88	\$212,548.27
Washington - III	*	\$11,453	*
[Wisconsin - I	0.75	\$450.39	\$600.52
[Wisconsin - II	0.75	\$1,276.31	\$1,701.75
[Wisconsin - III	0.75	\$135.18	\$180.24
[Wisconsin - IV	0.75	\$128.28	\$171.04
Wisconsin - V	1	\$74.28	\$74.28
[Wisconsin - VI	2	\$368.51	\$184.26
[Wisconsin - VII	2	\$467.02	\$233.51
[Wisconsin - VIII	2	\$381.99	\$191.00
[Wisconsin - IX	2	\$404.59	\$202.30
[Wisconsin - X	2	\$2,533.46	\$1,266.73
[Wisconsin - XI	2	\$277.31	\$138.66
[Wisconsin - XII	2	\$613.19	\$306.60
[Wisconsin - III	2	\$773.84	\$386.92
Wisconsin - XIV	1	\$1,864.42	\$1,864.42
[Wisconsin - XV	3	\$800.00	\$266.67
[Wisconsin - XVI	3	\$5,139.71	\$1,713.24
[Wisconsin - XVII	3	\$1,968.71	\$656.24

[Wisconsin - XVIII	3	\$2,096.00	\$698.67
[Wisconsin - XIX	3	\$13,270.11	\$4,423.37
[Wisconsin - XX	3	\$468.71	\$156.24
[Wisconsin - XXI	3	\$2,198.13	\$732.71
[Wisconsin - XXII	3	\$700.00	\$233.33
[Wisconsin - XXIII	3	\$3,200.00	\$1066.67
[Wisconsin - XXIV	3	\$1,100.00	\$366.67
[Wisconsin - XXV	3	\$378.40	\$126.13
Wisconsin - XXVI	1	\$2,204.26	\$2,204.26
<b>TOTAL</b>	<b>80.98</b>	<b>\$8,367,505.96</b>	<b>\$6,341,885.56</b>

**Total overbilling not including the audits for which audited years are not available:**

\$7,719,777.86

**Average overbilling per audited year, in a single audit:**

\$7,719,777.86 / 80.98 = \$95,329.44

**Key:**

[ - audits of different affiliates or clinics within one state that cover the same time frame and the same services

\* - audited dates or overbilling figures unknown