

**Health, Education and Human Services Division**

B-261988

August 9, 1995

The Honorable Michael P. Forbes  
House of Representatives

Dear Mr. Forbes:

Planned Parenthood Federation of America (PPFA) and its 158 affiliates, with 915 clinics, provide reproductive health care, with an emphasis on contraceptive services and public education. PPFA affiliates are separately incorporated independent entities with their own boards of directors. They have fiscal autonomy. In 1993, Planned Parenthood affiliates served 2.4 million women and men. Affiliates and their clinics provide family planning services, primary care, prenatal and well child care, cancer screening, and midlife women's health services. Over 70 percent of their clients in 1993 were at or below 150 percent of the federal poverty level.

International Planned Parenthood Federation (IPPF) is a nonprofit, nongovernmental family health care organization. It promotes and provides reproductive health<sup>1</sup> and family planning services through its headquarters in London; its six regional offices--Africa, Arab World, East & South East Asia and Oceanic, Europe, South Asia, and Western Hemisphere; and 144 autonomous local family planning associations working in at least 150 countries.

This letter responds to your request that we identify for PPFA and its affiliates and IPPF the (1) amount of federal funding that supports these organizations, (2) federal agencies that receive and disburse the funds, and (3) authorizing and appropriating committees with jurisdiction over these funds. To respond to these questions, we collected data and spoke with cognizant officials at the

---

<sup>1</sup>Includes maternal care; prevention and treatment of reproductive tract infections; education and counseling on human sexuality; and referrals for other conditions such as breast cancer, cancer of the reproductive system, and infertility.

U.S. Department of Health and Human Services (HHS), U.S. Agency for International Development (AID), PPFA, and IPPF. As agreed with your office, we did not independently verify financial data provided.

In summary, we found that PPFA and its affiliates and IPPF received federal government support totaling \$87,862,842<sup>2,3</sup> in fiscal year 1993. In fiscal year 1994, IPPF received federal funds totaling \$40,629,056.<sup>4</sup> Most of the domestic funds were administered by HHS; the international funds were administered by AID. These funds were authorized and appropriated through four committees or subcommittees in the Senate and four committees or subcommittees in the House of Representatives.

#### PPFA AND ITS AFFILIATES

In fiscal year 1993, federal programs provided \$59,417,275 in grants and contracts to Planned Parenthood affiliates. Almost all of this funding is provided under three grant programs administered by HHS. Most of the federal funding under these programs is awarded to affiliates by state government agencies which, in turn, disburse the funding according to federal program requirements and local needs. (See table 1.)

---

<sup>2</sup>We did not conduct an independent audit of these figures, which were furnished by AID and PPFA. Figures provided by PPFA were based on independently audited financial statements from PPFA and its 1993 affiliates.

<sup>3</sup>This includes grants, contracts, cooperative agreements, bilateral assistance, and the value of contraceptive shipments but does not include Medicaid reimbursements.

<sup>4</sup>Fiscal year 1994 financial information is not yet available from PPFA.

Table 1: Federal Grants and Contracts Supporting PPFA  
Affiliates, Fiscal Year 1993

Federal program	Amount of funding	Congressional authorizing jurisdiction <sup>a</sup>	Administering agency
<u>Title V</u> Maternal and Child Health Block Grants	\$5,106,948	House Ways and Means Committee/House Commerce Committee  Senate Committee on Finance/ Senate Committee on Labor and Human Resources	Health Resources and Services Administration (HRSA), HHS  HRSA distributes grant funds to state health agencies, which award grants to service providers they select.
<u>Title X</u> Family Planning Grants	33,882,318	House Commerce Committee  Senate Committee on Labor and Human Resources	Office of Population Affairs (OPA), HHS  OPA provides grants to state agencies and nongovernmental organizations that may be service providers.
<u>Title XX</u> Social Services Block Grants	17,460,612	House Committee on Ways and Means  Senate Committee on Finance	Administration for Children and Families (ACF), HHS  ACF provides grants to state social service agencies that award grants to service providers they select.
Other federal sources <sup>b</sup>	2,967,397	Jurisdiction depends on program	Administering agency depends on program
Total <sup>c,d</sup>	\$59,417,275		

Note: PPFA received one federal grant during 3 months of fiscal year 1993 to support a title X nurse practitioner training program. The grant provided \$243,844 from July 1993 to June 1994.

\*Committee jurisdiction depends mainly upon the content of the legislation and the referral system of the congressional body. Both the Ways and Means and Commerce Committees in the House of Representatives and Finance and Labor and Human Resources Committees in the Senate have exercised jurisdiction over the title V program in the past. Appropriating jurisdiction for these titles belongs to the Appropriations Subcommittees on Labor, Health and Human Services, Education, and Related Agencies of both the House of Representatives and the Senate.

\*PPFA asks affiliates to report federal funding in five categories: titles V, X, XIX, XX and other. "Other" funding includes federal programs that fund affiliates for providing health care services.

\*This does not include Medicaid reimbursements to Planned Parenthood affiliates.

\*No federal grants were used to provide abortion services.

Title X (of the Public Health Services Act), the federal program specifically devoted to supplying family planning services to low-income women, is the most important single source of grant funding for agencies that operate family planning clinics. In fiscal year 1993, title X family planning grants accounted for almost 60 percent of all federal grants and contracts awarded to Planned Parenthood affiliates.

Title X grantees included State or territorial health departments, agencies of local governments, community organizations, and other organizations that sponsor family planning services. Entities that received these grants may provide services or award the funds to other service providers. Thus, planned parenthood affiliates may receive funding as a direct grantee or indirectly. In fiscal year 1993, three-fourths of the title X funding awarded to all PPFA affiliates was provided indirectly.

Title XX (Social Services Block Grants--SSBG) and title V of the Social Security Act (Maternal and Child Health Services Block Grants (MCHBG)) provided additional funds. In fiscal year 1993, SSBG accounted for almost 30 percent of all federal grants and contracts that supported Planned Parenthood affiliates and MCHBG accounted for another 9 percent. Federal MCH funds are matched by state funds, and the use of those combined funds is determined by each state on the basis of its specific needs and federal requirements. Unlike title X funds, the MCHBG and SSBG funds are distributed only to state health and social services agencies, respectively, which may in turn fund family planning activities through PPFA's affiliates.

In addition to these grant programs, Planned Parenthood affiliate providers receive Medicaid reimbursements for providing services to Medicaid beneficiaries under title

XIX of the Social Security Act.<sup>5</sup> In fiscal year 1993, Planned Parenthood affiliates received Medicaid reimbursements totaling \$50,010,292.<sup>6</sup>

IPPF AND ITS AFFILIATES

For fiscal years 1993 and 1994, IPPF London, its family planning associations, and its Western Hemisphere Region received financial support totaling \$69,074,623. (See table 2.) This represents grants and subprojects and cooperative agreements<sup>7</sup> with AID and its cooperating agencies,<sup>8</sup> bilateral assistance agreements, and the value of AID-funded contraceptive shipments. The funds used to support IPPF are part of the overall appropriation for AID Development Assistance. The House Committee on International Relations and the Senate Foreign Relations Committee have oversight over AID.

---

<sup>5</sup>Committee jurisdiction for authorizing Medicaid legislation belongs to the House of Representatives Committee on Ways and Means and to the Senate Committee on Finance. Appropriations jurisdiction belongs to Appropriations Subcommittees on Labor, Health and Human Services, Education and Related Agencies of both the House of Representatives and the Senate.

<sup>6</sup>This figure includes both the federal and the state portion.

<sup>7</sup>A cooperative agreement is an assistance instrument in which substantial involvement is anticipated between AID and the recipient during performance of a proposed activity. It is used when the principal purpose of the relationship is to transfer anything of value or support or stimulation authorized by federal statute, and a grant would be appropriate except that substantial involvement is anticipated between AID and the recipient during performance of the proposed activity.

<sup>8</sup>The recipient in a contract, grant, or cooperative agreement with AID is called a cooperating agency.

Table 2: Federal Grants and Cooperative Agreements Supporting IPPF and its Affiliates, Fiscal Years 1993 and 1994

Organization	Fiscal year 1993	Fiscal year 1994
IPPF London		
Grants	\$0	\$11,617,000
Value of contraceptive shipments	224,700	1,507,136
Subtotal	224,700	13,124,136
IPPF Western Hemisphere		
Cooperative agreements	13,593,074 <sup>a</sup>	9,273,000
Value of contraceptive shipments	692,993	1,676,021
Subtotal	14,286,067	10,949,021
IPPF Family Planning Associations		
Bilateral assistance	13,934,800	12,103,899
Subprojects with cooperating agencies	0	4,452,000
Subtotal	13,934,800	16,555,899
Total	\$28,445,567	\$40,629,056

<sup>a</sup>This amount represents the combined total of the final year of the Matching Grant II cooperative agreement and the first year of a new 5-year cooperative agreement (the Transition Project).

IPPF London receives financial support through an AID grant totaling \$75,000,000. The grant began on September 1, 1993, and extends through August 29, 1998. Grant funds are used by IPPF family planning associations to provide family planning and reproductive health information and services. Fiscal year 1994 funds for this grant totaled \$11,617,000.

IPPF family planning associations may be funded directly by AID's local missions. The family planning associations may also receive funding through subgrants with AID's cooperating agencies. For fiscal years 1993 and 1994, funds from these sources totaled \$13,934,800 and \$16,555,899, respectively.

For fiscal years 1993 and 1994, IPPF's Western Hemisphere Region disbursed a total of \$22,801,742 in federal funds through AID's Transition Project, a follow-on cooperative agreement to the previous Matching Grant II cooperative agreement that ended in 1993. Through Matching Grant II, covering 1988 to 1993, the Western Hemisphere Region disbursed \$64,332. These funds were used to support expanded family planning services for low-income families in the Latin American and Caribbean region. In compliance with the Mexico City policy, none of these funds were used to finance or support abortion as a family planning method or to motivate or coerce any person to practice abortion.

The Transition Project is a 5-year cooperative agreement that focuses on strengthening the self-reliance of the family planning associates (Western Hemisphere affiliates) in several Latin American countries. Some IPPF affiliate members that provide family planning services in Mexico and the Caribbean also receive some support from the project. The Western Hemisphere Region matches all federal funds awarded to its family planning associations with nonfederal funds on a one-to-one basis.

Currently, about one-third of the Transition Project family planning associations' budgets is funded by local income while the other two-thirds are shared equally by AID and IPPF Western Hemisphere Region or other donors. Subject to the availability of funds, AID may provide up to \$68.8 million to fund this project by its completion date in June 1997. The Western Hemisphere Region will contribute approximately \$51.9 million through matched funds. Approximately 81 percent of AID's money will be spent on in-country subgrants and regional activities. The remaining 19 percent will cover direct and indirect costs. IPPF's Western Hemisphere Region disbursed \$13,528,742

B-261988

through the Transition Project in fiscal year 1993 and \$9,273,000 in fiscal year 1994.

Similarly, in a previous cooperative agreement ending in fiscal year 1993, the region received \$64,332.00. These funds were used to support expanded family planning services for low-income families in the region. IPPF London, its family planning associations, and its Western Hemisphere Region have also received AID-funded shipments of contraceptives for fiscal years 1993 and 1994. The value of the shipments totaled \$4,100,850.

We discussed the information in this letter with cognizant officials in AID, HHS, PPFA, and IPPF. These officials generally agreed with the information contained in this correspondence. They also provided us with technical comments, which we incorporated where appropriate. Please contact me at (202) 512-7125 if you have additional questions. This letter was prepared by Martha Elbaum and Ann White, Senior Evaluators under the guidance of Rose Martinez, Assistant Director.

Sincerely yours,



Mark V. Nadel  
Associate Director, National  
and Public Health Issues

(108239)