



Written by [Dave Bohon](#) on March 16, 2012

Whistleblower Lawsuit Alleges \$6 Million Fraud by Planned Parenthood

Abby Johnson, now an outspoken pro-life advocate, filed the federal lawsuit through [Alliance Defense Fund](#) (ADF), accusing Planned Parenthood of submitting more than 87,000 “false, fraudulent, or ineligible claims for Medicaid reimbursements” under Title XIX, in association with the Texas Women’s Health Program (WHP). The lawsuit alleges that the abortion provider knowingly committed Medicaid fraud by “improperly seeking reimbursements” from the WHP “for products and services not reimbursable by that program.” According to the suit, some 40 percent of the claims submitted by Planned Parenthood Gulf Coast to the Texas WHP were “false, fraudulent, and/or ineligible for reimbursement,” for which the abortion provider received reimbursements totaling more than \$5.7 million.



ADF attorneys filed the suit under the Texas Medicaid Fraud Prevention Act, which allows individuals with inside information to expose fraud by contractors that receive government monies. While the suit was filed in 2010, federal law mandated that documents pertaining to the case remain sealed while federal and state governments decided whether or not to join the case.

In 2011, Texas effectively banned Planned Parenthood from participating in the Texas WHP under a state law mandating that the state’s Medicaid agency cannot contract with “affiliates of entities that perform or promote elective abortions.” That law prompted the Obama administration to retaliate by stripping the WHP of its federal funding.

Johnson said that she is pursuing the lawsuit to “expose the corruption” at Planned Parenthood and “to show the taxpayer how their money is being spent” by the abortion giant. “Everyone, no matter what you think about abortion, should be interested in where our money is going and how it is being spent,” Johnson said. “As someone who saw the inside of this and saw the fraudulent billing and the fraudulent claims, I felt like I had a duty, and it was necessary for me to come forward with this information.” She told [LifeSiteNews](#) that the “ultimate goal would be to shut down this affiliate, which is responsible for running the largest abortion clinic in the Western hemisphere. And hopefully that would prompt additional investigations into other Planned Parenthood-equipped affiliates.”

ADF senior counsel Michael Norton added that “Americans deserve to know if their hard-earned tax money is being funneled to groups that are misusing it. No matter where a person stands on abortion, everyone should agree that Planned Parenthood has to play by the same rules as everyone else.”



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Johnson, who began working with the Texas Planned Parenthood franchise in 2001, recalled that Planned Parenthood supervisors called a meeting in late 2008 or early 2009 to inform clinic directors that the company had been falsely billing the Texas WHP since the beginning of 2007. Johnson recalled that when she asked her supervisor, "What are we going to do about" the money Planned Parenthood had received improperly, she was told, "Well, we are going to hope we don't get caught." Johnson said that she and other managers were directed to continue billing WHP for ineligible products and services, as well as to falsify patient charts in order to cover up the fraud.

Additionally, the suit alleges, the "continued employment of Ms. Johnson and other Planned Parenthood Gulf Coast clinic managers and staff was threatened if such clinics failed to enhance revenues to Planned Parenthood Gulf Coast by raising the number of billable client fees." The suit notes that in 2009, Planned Parenthood Gulf Coast laid off more than a dozen workers to demonstrate to other employees the consequences of not increasing clinic revenues.

Johnson's lawsuit is just the latest development in allegations about fraud on the part of Planned Parenthood. As reported by [The New American](#), the abortion giant is presently the subject of a congressional probe by U.S. Representative Cliff Stearns (R-Fla.), prompted in part through an investigation by the pro-life group [Americans United for Life](#) (AUL). Following a study of more than 20 years of Planned Parenthood records and outside evidence, the AUL released a 181-page report detailing what it charges are large-scale financial irregularities and circumvention of state laws committed by the abortion giant. During one year alone (2008-09), Planned Parenthood took in more than \$363 million through government contracts and grants, while its affiliates were responsible for performing more than 332,000 abortions. AUL said that its report shows evidence of nearly \$100 million in fraud by Planned Parenthood.

AUL's president and CEO, Dr. Charmaine Yoest, said that Johnson's lawsuit offers "even more evidence that the American taxpayer is being defrauded by Planned Parenthood.... With such evidence consistently building, the American public deserves answers."

LifeSiteNews noted that in addition to the charges by Johnson, two other whistle-blower lawsuits by former Planned Parenthood employees allege tens of millions of dollars in additional fraud by the abortion provider. Karen Reynolds, who, like Johnson, worked for Planned Parenthood Gulf Coast, has charged the abortion provider with "billing for medical services not rendered, billing for unwarranted medical services, billing for services not covered by Medicaid, and creating false information in medical records which was material to billing for medical services," according to her official complaint.

And in California, P. Victor Gonzalez, former chief financial officer for Planned Parenthood of Los Angeles, claimed in a 2010 lawsuit that the LA franchise paid "\$225,695.65 for Ortho Tri-Cyclen birth control pills, yet billed the government \$918,084...." He charged that these and similar acts, which were deliberate violations of the federal False Claims Act (FCA), amounted to some \$100 million in financial fraud by Planned Parenthood.

Said Johnson of the actions against her former employer: "We are very confident that there will be more cases that will come to light after people read the complaint from these three cases, and hopefully they will be able to bring forward additional information."



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