

ISSUE BRIEF

No. 4094 | NOVEMBER 21, 2013

Obamacare's Potential New Funding Streams for Abortion Providers

Sarah Torre

Taxpayer funding streams from Obamacare and mandates on insurers could provide increased funding and coverage for abortion providers. Through grants awarded for promotional efforts and new coverage requirements on insurers providing qualified plans, the health care law could benefit Planned Parenthood and other providers of elective abortion.

The coercive, one-size-fits-all regime of Obamacare is already set to increase costs and further burden taxpayers. The fact that bureaucrats are using the law to funnel more tax dollars to an organization that performed almost 1 million abortions in the past three years alone¹ should give policymakers another reason to stop further implementation of the health care law.

“Navigators” and “Assisters.” Fears of low enrollment in Obamacare exchanges have prompted both federal and state governments to fund an army of taxpayer-compensated community groups—including Planned Parenthood affiliates—that will market the health care law and facilitate people’s entrance into the health plan marketplaces.²

In mid-August, the Obama Administration announced the award of over \$655,000 in taxpayer

grants to Planned Parenthood affiliates in Iowa, Montana, and New Hampshire for “navigators” to help enroll Americans in federally facilitated insurance exchanges under Obamacare.

Meanwhile, more than a dozen states that have set up their own exchanges plan to spend tens of millions in taxpayer dollars funding community group “assisters” to promote their marketplaces. Many of those “assisters” could also include local Planned Parenthood affiliates, providing additional streams of Obamacare funding to the largest abortion provider in the nation. The District of Columbia awarded \$375,000—one of the largest “assister” grants in the District—to Planned Parenthood Metropolitan D.C. to help enroll citizens in the District’s state-based health care exchange.

Likewise, California, Minnesota, and Vermont have awarded a total of over \$700,000 to local Planned Parenthood affiliates to aid individuals’ enrollment in their exchanges, and many more states will likely follow suit.

“Essential Community Providers.” Planned Parenthood and other family planning clinics could also benefit from an Obamacare requirement that qualified insurance plans cover a sufficient number of “essential community providers” (ECPs).

ECPs are defined in Obamacare as health care providers and hospitals that predominantly serve “low-income, medically underserved individuals.” These organizations include federally qualified health clinics, hospitals, and Title X family planning centers, among other providers.

In order to sell a qualified health plan on an exchange, insurers must cover a minimum of 10 percent of the ECPs in a plan’s coverage area. Insurers

This paper, in its entirety, can be found at <http://report.heritage.org/ib4094>

Produced by the Richard and Helen DeVos Center for Religion and Civil Society

The Heritage Foundation
214 Massachusetts Avenue, NE
Washington, DC 20002
(202) 546-4400 | heritage.org

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

must offer contracts to providers in each ECP category in each county covered, including at least one family planning clinic or Title X “look-alike” clinic. According to a non-exhaustive list of ECPs released by the Department of Health and Human Services earlier this year, those family planning providers could include more than 400 local Planned Parenthood affiliates.³

To be clear, the ECP requirement on insurers is not a mandate to cover abortion providers such as Planned Parenthood affiliates. An insurer could offer contracts to family planning centers that do not perform abortions and still meet the law’s standards for network adequacy. Nor are issuers in federally facilitated exchanges required to cover all the services that an ECP might offer, such as elective abortion.

Nevertheless, Obamacare has placed a concerning precedent in federal law that the Administration can require insurance companies to offer contracts to certain health care facilities such as family planning centers. Through additional rulemaking or administrative guidance, the Obama Administration could easily require insurers to contract with all ECPs in a given area, including all Planned Parenthood affiliates. Indeed, the Administration explicitly

reserved the right to revise the ECP standards in the future.⁴

Moreover, states that have established their own exchanges have the ability to set higher standards, including requiring insurers within their borders to cover all available ECPs and the services they provide.⁵

Prohibit Taxpayer Funding of Abortion Providers. With over half a billion in current government funding in one year alone, Planned Parenthood hardly needs additional taxpayer dollars or new funding streams under Obamacare, especially as it faces mounting accusations of fraud,⁶ allegedly neglects the safety of women,⁷ and expands its provision of abortion services.⁸

To truly protect taxpayers, individuals, and families from subsidizing promotion programs and health plans that benefit abortion providers, Obamacare must be repealed in its entirety and Congress must enact permanent prohibitions on taxpayer funding of abortion providers.

—*Sarah Torre is a Policy Analyst in the Richard and Helen DeVos Center for Religion and Civil Society at The Heritage Foundation.*

-
1. Susan B. Anthony List, “Planned Parenthood’s 2011-2012 Annual Report,” http://www.sba-list.org/sites/default/files/content/shared/pp_fact_sheet_2011_2012_annual_report.pdf (accessed October 28, 2013).
 2. Alyene Senger, “The Cost of Educating the Public on Obamacare,” The Heritage Foundation *Issue Brief* No. 3983, July 1, 2013, <http://www.heritage.org/research/reports/2013/07/public-outreach-on-obamacare-cost-of-educating-the-public-on-health-care-reform>.
 3. U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, “Non-Exhaustive List of Essential Community Providers—ECPs,” <https://data.cms.gov/dataset/Non-Exhaustive-List-of-Essential-Community-Providers/ibqy-mswq> (accessed September 26, 2013).
 4. The Centers for Medicare and Medicaid Services says that it “will continue to assess [qualified health plan] provider networks, including ECPs, and may revise its approach to reviewing for compliance with network adequacy and ECPs in later years.” U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, Center for Consumer Information, letter to issuers, April 5, 2013, p. 10.
 5. Adam Sonfield, “Vigilance Needed to Make Health Reform Work for ‘Essential Community Providers,’” *Guttmacher Policy Review*, Vol. 16, No. 2 (Spring 2013), <http://www.guttmacher.org/pubs/gpr/16/2/gpr160217.html> (accessed October 23, 2013).
 6. See Sarah Torre, “Government Watchdog to Investigate Planned Parenthood Funding,” The Heritage Foundation, The Foundry, August 7, 2013, <http://blog.heritage.org/2013/08/07/government-watchdog-to-investigate-planned-parenthood-funding/>.
 7. Susan B. Anthony List, “Kermit Gosnell Is Not an Outlier,” <http://www.sba-list.org/negligence> (accessed October 28, 2013).
 8. See Sarah Torre, “Planned Parenthood Sets Record for Abortions and Government Funding,” The Heritage Foundation, The Foundry, January 9, 2013, <http://blog.heritage.org/2013/01/09/planned-parenthood-sets-record-for-abortions-and-government-funding/>.
-