

Memo

TO: Interested Parties
DATE: 21 October 2024
RE: New Data Shows Unregulated Pregnancy Clinic Industry Reaches \$1.7+ Billion in Annual Revenue

In February 2024, Reproductive Health and Freedom Watch (RHFV) released [its first analysis of the unregulated pregnancy clinic \(UPC\) industry's finances](#). Since then, RHFV's monitoring of the UPC industry has expanded its dataset, revealing FY 2022 Forms 990 - annual financial reports that non-profit organizations are required to submit to the Internal Revenue Service - for **1,665 UPCs reporting \$1.7 billion in annual revenue**. RHFV offers this updated financial overview and recommendations to enhance UPC industry accountability, as this industry vies for ever-increasing taxpayer dollars.

Our latest analysis reveals:

1. **UPC industry funding and expenses are increasing at an alarming rate.**
2. According to the most recent reports from UPC industry leaders, **demand for UPC services is declining** while UPC industry funding and expenses hit new peaks.
3. The UPC industry is **rebranding** with 37% of UPCs operating under at least one alternate name.
4. The UPC industry reports **over 100,000 staff and volunteers** in FY 2022 alone.
5. **96% of voters support accountability** for taxpayer dollars appropriated to the UPC industry.

Data from our analysis can be found at www.UPCFinanceWatch.com, a regularly updated online database of UPC Forms 990 - revenues, expenses, assets - and affiliations.

I. FINDINGS

1. UPC INDUSTRY FUNDING AND EXPENSES ARE INCREASING AT AN ALARMING RATE.

- In 2022, 1,665 UPC Forms 990 reported over \$1.7 billion in revenue and over \$1.5 billion in expenses - a significant increase over 2021 revenue (18%) and expenditures (26%).
- Between 2019 and 2022, UPCs reported over \$5.5 billion in revenue and over \$4.8 billion in expenditures. As of 2022, the UPC industry reports approximately \$2.3 billion in assets (see Appendix 4).

The majority of UPC funding is derived from private sources, including individuals, foundations, and corporations (see Appendix 6). However, state legislative appropriations

to UPCs are dramatically increasing (see Appendix 5). Between 2021 and 2024, [RHF](#) [found](#) state legislatures appropriated over \$513 million directly to the industry, largely in states with maternal and infant mortality rates above the national average that have banned or severely restricted abortion. In these states, it's unclear if lawmakers were aware of the extensive private funding UPCs receive, the discrepancies between their reported expenditures and claimed value, or the industry's history of financial waste and mismanagement when allocating taxpayer dollars.

2. THE “VALUE” OF GOODS AND SERVICES AND “IMPACT” REPORTED BY THE UNREGULATED PREGNANCY CLINIC INDUSTRY DOES NOT RECONCILE WITH ITS REPORTED EXPENDITURES.

Available Forms 990 show 1,665 UPCs reported over \$1.5 billion in expenses in 2022.

- UPC industry reporting from national anti-abortion think-tank Charlotte Lozier Institute, in partnership with Focus on the Family and national UPC networks Care Net, Heartbeat International, and National Institute of Family and Life Advocates (CLI et al.) claims 2,750 UPCs provided goods and services valued at \$367 million in 2022.
- In the states for which CLI et al. have released state-level data – Arizona, California, Delaware, Florida, Massachusetts, Missouri, Montana, North Carolina, Nebraska, New Jersey, New York, and Pennsylvania – **UPC expenses reported on available Forms 990 outpace CLI et al.'s reported value of UPC goods and services provided** in those states. See Appendix 3.
- Between 2019 and 2022, UPC Forms 990 revealed a **45% increase in expenses**, while CLI et al. reported only a 0.8% increase in new clients (see Appendix 2).
- Inconsistencies in reporting from CLI et al., Care Net, and Heartbeat International raise questions about the accuracy of UPC industry reporting, highlight a lack of transparency in financial and client data, and may even suggest a **downward trend in UPC industry client demand**.
 - CLI et al.'s FY [2017 report](#) claims 2,600 UPCs served 2 million unique clients; the FY [2019 report](#) claims 2,700 UPCs served 1.85 million unique clients; and the FY [2022 report](#) offers no figure for unique clients, shifting to reporting 16 million “in-person and virtual client session”, provided by 2,750 UPCs. In 2022, CLI et al. reported 974,965 “new clients”, a less than 0.8% increase from 2019. In 2017 and 2019 “new clients” made up roughly half of the total unique clients served.
 - In its 2022 report, Care Net [claims its 1,237 affiliated centers](#) provided goods and services valued at \$96.9 million, while the 2022 CLI et al. report claims a total value of \$367 million for 2,750 UPCs, around double the number referenced in the Care Net report.
 - Heartbeat International claims its 3,250 affiliated centers (worldwide) received a total of [1.9 million client visits](#) in 2023, down 47% from a reported [2.8 million](#) client visits in 2022 (which, given Heartbeat International is one of the largest UPC networks in the U.S., is curiously smaller than the CLI et al. reported 16 million visits in the same year).

3. ANALYSIS OF FY 2022 UPC FORMS 990 UNCOVERED ADDITIONAL FINDINGS THAT MAY ENHANCE PUBLIC UNDERSTANDING OF THE UPC INDUSTRY.

In fiscal year 2022, for the 1,665 UPCs in our dataset:

- **Taxpayer dollars:** UPCs reported receiving \$415.4 million in government grants.
- **Private funders:** The top five disclosed private funders of UPCs by the number of grants given between 2019 and 2022 were the National Christian Charitable Foundation, American Endowment Foundation, Knights of Columbus Charities, Mission Pre-Born, and Carolina Pregnancy Care Fellowship (a NC taxpayer funding intermediary). For the top twenty-five disclosed private donors to the UPC industry, see Appendix 6.
- **Alternate names:** 37% of UPCs reported operating under at least one alternate name. Examples of UPC rebranding include Mend Medical Services in Tulsa, Oklahoma alternatively known as “Mend Crisis Pregnancy Center”, Bella Medical Services in Oshkosh, Wisconsin alternatively known as “Labor of Love”, and 1st Choice Pregnancy Medical Center in Fort Smith, Arkansas alternatively known as “Fort Smith Christian Family Services”.
- **Non-cash contributions:** UPCs reported \$52.5 million in non-cash contributions.
- **Expenditures:** UPCs reported spending \$31.4 million on advertising, \$7.5 million on conferences, and \$1.2 million on memberships.
- **Staff and volunteers:** The total reported number of staff and volunteers in FY 2022 was 100,006. The median staff size reported for UPCs in the dataset was 9, with a median volunteer staff of 20.
- **NTEE codes:** The top five UPC National Taxonomy of Exempt Entities (NTEE) codes in the dataset were: Family Services (637), Reproductive Health Care Facilities (441), Family Planning Centers (222), Right to Life (212), and Unknown/Other (90).

4. VOTERS SUPPORT ACCOUNTABILITY FOR TAXPAYER DOLLARS APPROPRIATED TO THE UPC INDUSTRY.

[Polling from Global Strategy Group found](#) 96% of voters believe organizations receiving tax dollars should be required to account for how they spend them.

II. RECOMMENDATIONS *developed in partnership with the Public Leadership Institute*

As UPC-allied state legislatures appropriate increasing taxpayer funds to support the already-wealthy UPC industry, we must demand transparency around how legislatures determine this funding need and accountability for funds spent.

To address these concerns, we propose three actions for state legislators, particularly those serving on budget committees:

1. **Ensure Budget Transparency.** Mandate that the state budget explicitly outlines the total amount of public funds allocated to UPCs.
2. **Demand Financial Accountability.** Leverage legislative authority to obtain copies of the documents UPCs submit with their grant proposals and reports, including comprehensive financial statements and detailed information about the services offered, allowing for a clear assessment of funding requests.

- 3. Mandate Full Financial Disclosures.** If state agencies do not require complete financial transparency from UPCs receiving taxpayer funding, introduce budget language that enforces this standard, ensuring a thorough and transparent review of all financial information.

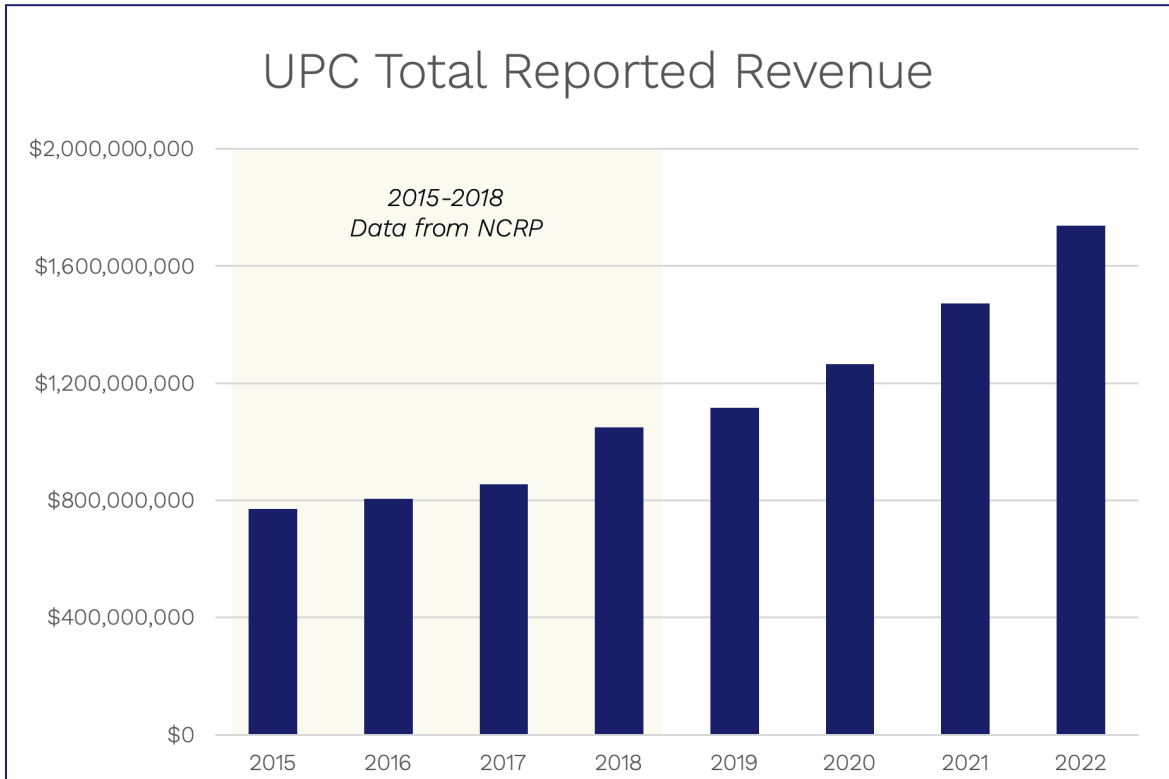
For private foundations and individual funders who wish to support UPCs as part of their commitment to assisting low-income, marginalized pregnant women, we recommend:

- **Demand Detailed Financial Documentation.** Ensure that funding applications require the submission of full financial statements, detailed budgets, and verified data. This should include the number of clients served, the range of services provided, and the total cost per service. These measures will allow funders to make more informed and effective investment decisions.

Sources and methodology: The UPC financial data in this report comes from available Forms 990; Charlotte Lozier Institute et al. data comes from reports available at <https://lozierinstitute.org/pcr>. Read our complete methodology here: <https://reproductivehealthfreedom.us/upc-finance-watch/methodology/>

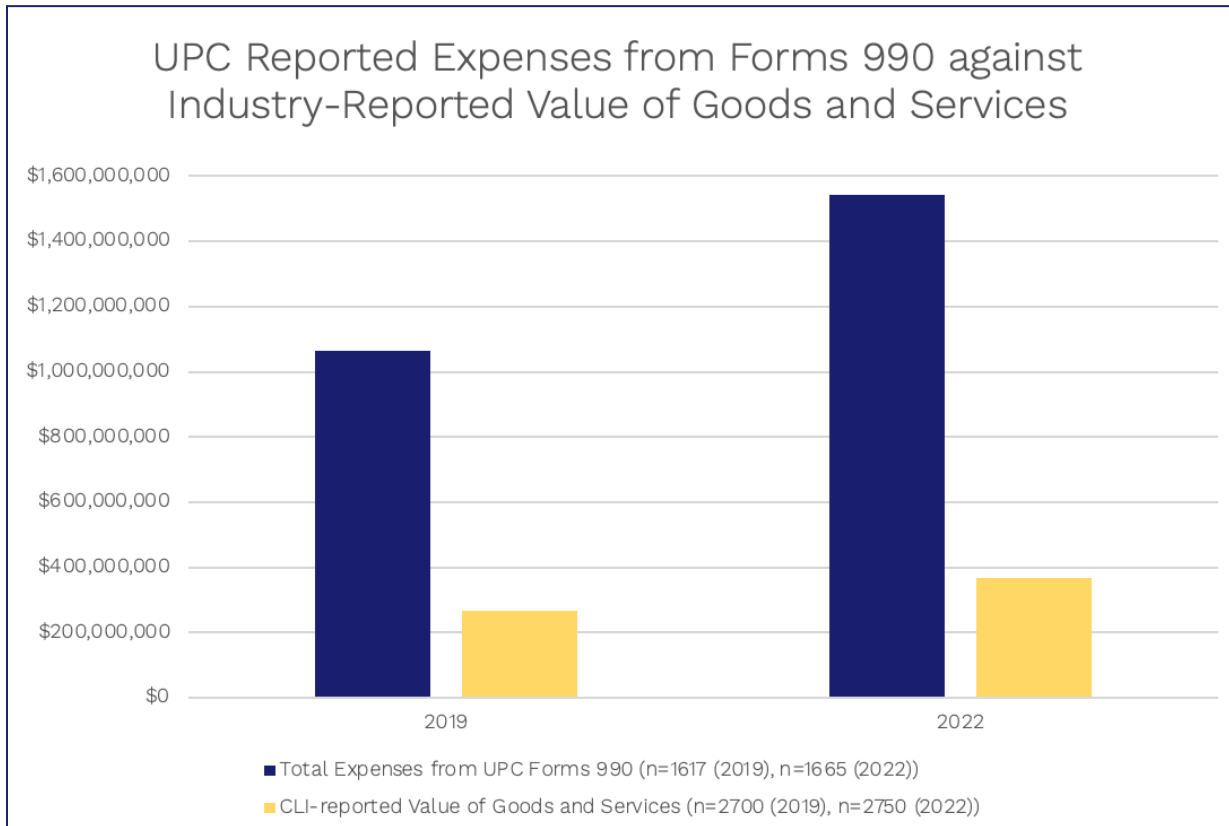
Appendix 1. Total UPC revenue 2015-2022

The following chart shows a more-than 125% increase in UPC industry revenue between 2015 and 2022. Revenue data for 2015-2018 [comes from the National Committee for Responsive Philanthropy](#) (NCRP); data for 2019-2022 comes from publicly available IRS Forms 990.



Appendix 2. Total UPC industry expenses from Forms 990 with industry-reported value of goods and services as reported by CLI et al.

The following chart shows UPC industry expenses in 2019 and 2022 as reported by publicly available Forms 990, alongside the value of UPC goods and services [as reported by CLI et al.](#) in those same years.



Appendix 3. 2022 UPC revenue, expenses, and assets as reported on Forms 990 alongside the “value” of UPC goods and services [as reported by CLI et al.](#), where available.

State	# UPCs with Form 990 data	2022 Revenue (Forms 990)	2022 Expenses (Forms 990)	2022 Assets (Forms 990)	State-level Value of Goods and Services Reported by CLI et al.
AK	9	\$2,858,009	\$2,295,522	\$5,991,073	N/A
AL	43	\$29,389,302	\$26,496,367	\$30,256,764	N/A
AR	22	\$8,581,042	\$6,558,491	\$14,162,894	N/A
AZ	20	\$23,271,160	\$22,574,250	\$26,409,151	\$6,216,705 (n=44)
CA	113	\$67,784,524	\$50,876,427	\$91,639,167	\$21,673,171 (n=168)
CO	35	\$72,304,458	\$65,993,659	\$65,333,441	N/A
CT	8	\$2,514,565	\$2,066,436	\$3,845,665	N/A
DC	2	\$1,299,630	\$825,799	\$2,600,098	N/A
DE	4	\$1,183,218	\$992,189	\$1,723,534	\$249,431 (n=4)
FL	86	\$78,901,174	\$63,127,379	\$106,186,601	\$24,522,269 (n=159)
GA	62	\$31,746,079	\$26,581,310	\$45,524,707	N/A
HI	4	\$455,410	\$426,140	\$649,858	N/A
IA	30	\$11,781,248	\$9,937,952	\$16,603,793	N/A
ID	12	\$6,829,974	\$4,318,544	\$15,371,498	N/A
IL	48	\$38,040,847	\$33,552,932	\$52,479,441	N/A
IN	43	\$37,913,677	\$30,182,106	\$86,990,306	N/A
KS	25	\$9,531,162	\$7,191,253	\$16,039,074	N/A
KY	34	\$14,486,272	\$11,637,886	\$25,226,141	N/A
LA	25	\$32,118,412	\$30,838,628	\$54,393,423	N/A
MA	14	\$4,528,413	\$4,211,671	\$5,012,378	\$1,430,206 (n=27)
MD	29	\$10,225,200	\$8,456,502	\$17,039,949	N/A
ME	7	\$1,498,248	\$1,119,273	\$2,509,315	N/A
MI	62	\$218,456,834	\$214,891,656	\$133,802,231	N/A
MN	52	\$24,060,717	\$19,937,385	\$35,334,786	N/A
MO	57	\$38,432,842	\$28,056,388	\$53,570,448	\$8,851,347 (n=67)
MS	24	\$8,530,280	\$5,420,099	\$11,004,639	N/A

MT	10	\$5,597,212	\$3,787,702	\$9,746,182	\$1,210,443 (n=16)
NC	72	\$36,375,932	\$24,469,321	\$52,954,737	\$9,589,850 (n=93)
ND	7	\$4,353,897	\$3,304,588	\$5,784,109	N/A
NE	11	\$8,350,654	\$5,658,989	\$10,706,571	\$5,018,785 (n=29)
NH	10	\$2,401,686	\$2,034,625	\$3,058,396	N/A
NJ	24	\$17,768,917	\$15,498,039	\$30,066,472	\$3,678,318 (n=34)
NM	14	\$5,522,265	\$4,644,326	\$7,794,944	N/A
NV	5	\$5,244,310	\$3,727,414	\$7,907,616	N/A
NY	61	\$67,604,791	\$63,520,964	\$406,883,901	\$6,294,378 (n=84)
OH	78	\$110,162,824	\$99,982,335	\$96,043,408	N/A
OK	26	\$22,804,724	\$19,783,420	\$132,436,437	N/A
OR	30	\$17,744,803	\$11,113,119	\$21,235,727	N/A
PA	74	\$75,534,170	\$65,868,214	\$130,272,893	\$8,902,457 (n=130)
PR	1	\$428,750	\$431,041	\$207,162	N/A
RI	3	\$1,671,039	\$1,009,928	\$1,997,152	N/A
SC	29	\$12,188,515	\$9,384,348	\$22,881,605	N/A
SD	7	\$3,262,656	\$2,265,163	\$5,079,865	N/A
TN	45	\$27,126,148	\$21,363,358	\$36,925,053	N/A
TX	141	\$460,742,508	\$444,986,720	\$269,902,330	N/A
UT	8	\$4,403,109	\$3,639,390	\$6,090,225	N/A
VA	39	\$24,629,764	\$20,641,869	\$33,622,741	N/A
VT	7	\$1,091,040	\$921,084	\$1,155,582	N/A
WA	31	\$19,276,175	\$15,989,902	\$26,625,715	N/A
WI	43	\$21,420,283	\$16,161,440	\$43,740,763	N/A
WV	9	\$1,800,438	\$1,360,687	\$3,274,789	N/A
WY	10	\$4,401,956	\$3,494,599	\$8,285,616	N/A
TOTAL	1665	\$1,738,631,263	\$1,543,608,829	\$2,294,380,366	-

Appendix 4. Four-year total revenue and expenses from Forms 990 as reported by UPCs in RHFV's dataset, 2019-2022

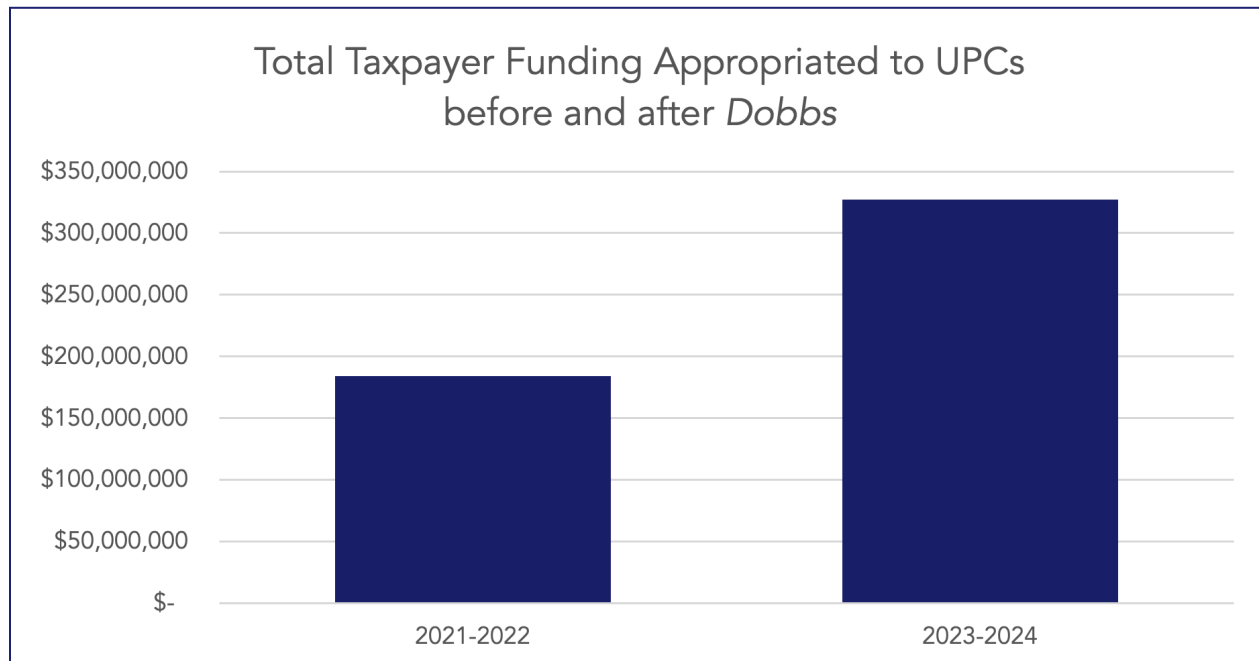
State	# UPCs with Form 990 data	Total Revenue 2019-2022	Total Expenses 2019-2022
AK	9	\$9,488,497	\$7,345,586
AL	43	\$86,079,644	\$73,350,446
AR	22	\$27,855,613	\$22,008,307
AZ	22	\$95,364,269	\$82,931,923
CA	119	\$222,450,020	\$178,486,149
CO	35	\$244,476,573	\$220,432,578
CT	8	\$8,802,335	\$7,428,980
DC	2	\$4,345,200	\$2,751,882
DE	4	\$4,208,746	\$3,846,580
FL	94	\$277,246,578	\$231,362,298
GA	63	\$106,922,777	\$86,555,386
HI	4	\$1,812,523	\$1,594,286
IA	31	\$41,433,679	\$35,315,592
ID	12	\$22,442,607	\$13,130,462
IL	52	\$135,280,944	\$115,705,455
IN	45	\$137,275,189	\$95,067,682
KS	25	\$30,502,989	\$23,301,068
KY	37	\$49,272,602	\$38,686,001
LA	27	\$135,404,102	\$128,260,599
MA	14	\$15,615,921	\$14,232,958
MD	32	\$38,402,254	\$31,857,815
ME	7	\$4,924,522	\$3,726,866
MI	67	\$744,798,778	\$721,377,977
MN	55	\$82,661,636	\$67,373,730
MO	59	\$125,052,991	\$97,007,312
MS	26	\$22,602,626	\$17,267,444
MT	11	\$18,908,507	\$14,300,678
NC	74	\$103,530,569	\$75,695,065
ND	7	\$13,187,522	\$10,440,351
NE	11	\$24,533,072	\$19,011,629
NH	10	\$8,485,497	\$7,429,406

NJ	25	\$65,727,944	\$55,217,083
NM	15	\$18,864,740	\$15,883,335
NV	5	\$16,388,601	\$13,391,042
NY	65	\$397,436,206	\$335,726,086
OH	80	\$389,950,578	\$363,301,588
OK	31	\$86,568,478	\$72,872,272
OR	31	\$46,839,171	\$35,263,882
PA	76	\$266,813,930	\$239,386,903
PR	1	\$1,395,031	\$1,240,941
RI	3	\$4,441,000	\$3,244,663
SC	30	\$40,003,181	\$30,724,900
SD	7	\$10,207,350	\$7,289,003
TN	46	\$90,463,780	\$71,994,900
TX	146	\$1,058,217,511	\$997,694,130
UT	8	\$11,087,226	\$8,297,704
VA	40	\$79,916,032	\$64,053,022
VT	7	\$3,728,193	\$3,095,982
WA	31	\$66,599,559	\$54,143,189
WI	43	\$72,084,613	\$52,539,971
WV	11	\$6,274,183	\$4,781,613
WY	11	\$15,143,252	\$11,998,340
TOTAL	1739	\$5,591,519,341	\$4,889,423,040

Appendix 5. State Legislative Appropriations to the UPC industry, 2021-2022 and 2023-2024

Between 2021 and 2024, at least 21 state legislatures appropriated taxpayer dollars directly to the UPC industry: Arizona, Arkansas, Florida, Georgia, Iowa, Indiana, Kansas, Louisiana, Minnesota, Missouri, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Utah, West Virginia, and Wisconsin. Minnesota and Pennsylvania ceased funding UPCs in 2023.

The chart below shows state taxpayer funding appropriations to the UPC industry in these states by year. Because several states pass budget legislation every two years, the data is displayed in 2-year segments corresponding to the two years before and after *Dobbs v. Jackson Women’s Health*. For more information about taxpayer funding to UPCs, see [RHFw’s July 2024 research memo: Why is the billion-dollar unregulated pregnancy clinic industry receiving increasing taxpayer dollars?](#)



Appendix 6. Top 25 private funders of UPCs by number of grants made, 2019-2022, as reported on available Forms 990.

Funder Name	Total Number of Grants to UPCs	Total Funding to UPCs
National Christian Foundation / Natl Christian Charitable FDN Inc	716	\$54,516,974
American Endowment Foundation	301	\$7,282,567
Knights of Columbus Charities	294	\$5,536,675
Mission Pre-Born	161	\$4,434,895
Carolina Pregnancy Care Fellowship	158	\$7,239,525
National Philanthropic Trust	141	\$6,593,342
The Blackbaud Giving Fund	141	\$2,200,924
Schwab Charitable Fund	126	\$13,320,375
The Signatry	124	\$11,174,447
Raymond James Charitable Endowment Fund	117	\$2,596,358
Save the Storks	113	\$4,457,608
Florida Pregnancy Care Network	112	\$7,069,636
Vanguard Charitable Endowment Program	109	\$5,762,184
The Bank of America Charitable Foundation	108	\$380,297
American Online Giving Foundation	104	\$4,131,970
Fidelity Investments Charitable Gift Fund	102	\$19,326,690
WaterStone	99	\$2,621,383
Network for Good	98	\$4,714,835
AmazonSmile Foundation	85	\$152,834
Communities Foundation of Texas	84	\$2,636,924

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