Reproductive Health *and* Freedom Watch

Counting Without Accountability

Inside the Unregulated Pregnancy Clinic Industry's "Impact" Claims

EXECUTIVE SUMMARY

Unregulated Pregnancy Clinics (UPCs, AKA "crisis pregnancy centers", "pregnancy resource centers") increasingly benefit from state taxpayer funding, tax credits, and policy carve-outs. In November 2025, the Charlotte Lozier Institute, in collaboration with UPC industry leaders Care Net, Heartbeat International, the National Institute of Family and Life Advocates (NIFLA), and Focus on the Family (CLI et al.) released a UPC industry "impact report" titled *A Legacy of Life & Love: Rising to the Occasion with Unwavering Care*. A careful review of CLI et al.'s data raises serious and unresolved questions for taxpayers and policymakers supporting this industry:

1. UPC client reach has not increased—and may have declined
2. CLI et al.'s calculations rely on inflated valuations and likely double-counting
3. UPCs claim to meet medical needs but UPC industry reporting suggests an escalating demand for material items greatly outpaces demand for medical services
4. Reporting contains level of opacity inconsistent with public funding standards

KEY FINDINGS

1. UPC client reach has not increased—and may have declined. CLI et al. stopped reporting the total number of unique clients served, a necessary metric to assess reach, in 2022.

Prior to 2022, when this figure was reported, we see:

- 2.3 million people served in 2010
- Fewer than 2 million people served in both 2017 and 2019

In the latest 2025report, CLI et al. instead report in FY 2024 UPCs:

- Served 1,012,976 "new clients"
- Held 3,799,816 "client sessions"

Without knowing the unique clients served, it is impossible to verify industry claims that UPC reach is expanding. This is especially pressing when client data before 2022 shows a decline in reach.

2. CLI et al.'s calculations rely on inflated valuations and likely double-counting.

A. **Inflated Valuations:** The reported $452.5 million "value" of UPC goods and services relies on clinical pricing assumptions UPCs do not substantiate. UPCs are not regulated as medical facilities, yet CLI et al. assign market prices to UPC goods and services that presume licensed clinicians, clinical oversight, and liability infrastructure:
    - The values for new client consultations, prenatal counseling, parenting classes, and after-abortion support were determined by multiplying the number of hours by the mean hourly wage of a licensed social worker. Yet, there is no evidence a licensed social worker performs this counseling.
    - The value of ultrasound services uses the mean hourly wages for Registered Nurses and Registered Diagnostic Medical Stenographers despite CLI et al. failing to provide evidence a licensed RN or RDMS performs all ultrasounds.

   These valuations assume health-system conditions, yet UPCs operate outside standard medical regulation. The report does not discuss provider qualifications or quality-assurance standards.

B. **Double counting:** CLI et al. appear to double-count the cost of material goods and the cost of ultrasound services:
    - Material goods are valued as if purchased retail-new which does not account for the possibility that items may have been sourced through donations or at bulk prices. For example, diapers are valued at $11.20 per pack, cribs at $160 each, and infant formula at $20 per container.
    - For each ultrasound provided, CLI et al. list a procedure cost and a cost for licensed staff labor for a combined ultrasound-related valuation of $188.4 million. In standard health-care accounting, labor costs are embedded in procedure pricing, and CLI et al.'s methods beg the question of what constitutes ultrasound procedure cost, if not labor.

3. UPCs claim to meet medical needs but UPC industry reporting suggests an escalating demand for material items greatly outpaces demand for medical services. The total estimated value of material aid is reported at $116.1 million for FY 2024, representing a 334% increase since 2019. Comparatively, demand for pregnancy tests declined by 5% and demand for ultrasounds rose only 30% in the same time period. Rapid growth in diaper and formula distribution is a marker of poverty and unmet social needs, not evidence of UPCs meeting medical health care needs.

4. Lack of transparency prevents independent verification. In their report, CLI et al. do not disclose:

- Which UPCs are represented in the analysis
- Center-level service information
- Total number of unique clients
- Cost-per-client

These omissions would be unacceptable for a Medicaid contractor, Federally Qualified Health Center (FQHC), or state-funded social-service provider. Without this information, it is impossible to independently verify CLI et al's findings or duplicate their conclusions.

5. Care Net and Heartbeat International reporting mirrors the same opacity. The lack of specificity is not limited to the CLI et al. report. Two of Charlotte Lozier Institute's primary industry partners—Care Net and Heartbeat International—publish impact summaries that similarly obscure core accountability metrics.

Care Net (Helping Communities Flourish 2025) reports:

- 452,781 individuals and families served
- 173,293 ultrasounds performed
- 219,247 pregnancy tests administered
- $144 million in total "services provided"
- $30.6 million in material goods distributed

However, Care Net does not clarify:

- Whether "clients served" represents unique clients or includes repeat visits
- The total number of client sessions
- The qualifications of personnel providing ultrasounds or counseling
- How service "value" is calculated or audited
- Center-level breakdowns or cost-per-client figures

Without these data points, it is impossible to independently verify the claimed $144 million in total "services provided" or assess actual reach and clinical capacity.

Heartbeat International (Life Trends Report 2025) reports:

- 2,164,043 total client visits across global affiliates
- 770,799 total unique clients

Yet the report does not publicly disclose:

- Disaggregated service counts (e.g., pregnancy tests, ultrasounds, parenting sessions)
- Dollar valuation methodology
- Center-level reporting
- Cost-per-client calculations

Across all three industry reports—CLI, Care Net, and Heartbeat International—the pattern is consistent:

- Heavy reliance on aggregate volume metrics
- Limited transparency regarding provider credentials
- No documentation of an independent audit
- No standardized public reporting framework
- Not enough information to independently verify or replicate results

RECOMMENDATIONS

Legislators allocating taxpayer funds should demand UPCs be held to the same reporting standards applied to any state-funded health or social service provider: clear denominators, transparent valuation methods, credential verification, and measurable outcomes tied to public benefit. Legislators should ask:

UNIQUE CLIENT REACH

- Exactly how many unduplicated clients were served in the most recent fiscal year? Provide the methodology used to calculate unduplicated counts. Are clients counted once per year, once per pregnancy, or once per visit?
- How many total client sessions were conducted?
- What is the ratio of sessions to unique clients?
- What percentage of sessions represent repeat visits?
- How many "new clients" were seen, and how is "new" defined? Does this include returning clients from prior years?
- What is the intended reach of your services?
- What percentage of pregnant patients in the state does your network aim to serve?
- What geographic areas are prioritized?
- What demographic populations are targeted?
- What evidence demonstrates that client reach is increasing rather than declining? Provide five-year trend data for unduplicated clients.

SERVICE VOLUME AND TYPE

- Exactly how many times and for how many unique clients was each service provided last fiscal year? Disaggregate by:
    - Pregnancy tests
    - Ultrasounds
    - STI testing (if applicable)
    - Prenatal counseling hours
    - Parenting classes (number of sessions and number of participants)
    - Post-abortion counseling sessions
    - Abortion Pill Reversal cases (number of people referred and number treated)
    - Material aid distributions (diapers, formula, cribs, car seats, etc.)
- Of total services provided, what percentage are clinical services versus material support?
- What is the average number of services provided per unique client?
- How many clients were referred to licensed medical providers?
    - For what medical services were clients referred?
    - How many referrals resulted in completed medical visits?

VALUATION AND FINANCIAL TRANSPARENCY

- How is the "value" of goods and services calculated?
    - Provide a detailed valuation methodology.

    - Are labor costs embedded in procedure costs, or counted separately?
- Are donated goods valued at retail price, wholesale price, or acquisition cost?
- What is the cost-per-unique-client?
- What is the cost-per-client for each service provided (e.g., Cost-per-ultrasound, Cost-per-parenting-session, Cost-per-pack-of-diapers distributed)?
- Has an independent third-party audit verified these figures?

PUBLIC ACCOUNTABILITY STANDARDS

- Which specific centers are included in the statewide or national reporting totals?
- Provide center-level data on services and expenditures.
- How are state taxpayer dollars segregated and tracked?
- What measurable public health outcomes are tied to appropriations?
    - Reduced maternal morbidity?
    - Increased prenatal care uptake?
    - Reduced low-birthweight rates?
- How does your reporting compare to the transparency standards required of Medicaid contractors or Federally Qualified Health Centers (FQHCs)?

OUTCOMES AND IMPACT

- What evidence demonstrates improved health outcomes, beyond service volume?
- What independent evaluations have been conducted?
- What evidence demonstrates centers are meeting medical needs? Especially if industry-wide material aid has increased 334% since 2019 while pregnancy tests declined 5% and ultrasounds rose only 30%.

BOTTOM LINE

Before allocating or renewing taxpayer dollars to the Unregulated Pregnancy Clinic industry, lawmakers should require basic accountability, including unique client counts, verification of clinical credentials, transparent procurement costs, center-level reporting, and independent review.

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