

23 June 2016

The Honorable Paul Ryan, Speaker  
House of Representatives  
H-232, United States Capitol  
Washington, D.C. 20515

The Honorable Kevin McCarthy, Majority Leader  
House Republican Conference  
H-107, United States Capitol  
Washington, D.C. 20515

The Honorable Fred Upton, Chairman  
House Energy & Commerce Committee  
2125 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Marsha Blackburn, Chairman  
Select Investigative Panel on Infant Lives  
2125 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Nancy Pelosi, Minority Leader  
House Democratic Caucus  
H-204, United States Capitol  
Washington, D.C. 20515

The Honorable Frank Pallone, Ranking Member  
House Energy & Commerce Committee  
2125 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Jan Schakowsky, Ranking Member  
Select Investigative Panel on Infant Lives  
2125 Rayburn House Office Building  
Washington, D.C. 20515

Dear Speaker Ryan, Honorable House Leaders, Chairmen, and Ranking Members:

Last summer, Americans of all backgrounds, creeds, and political leanings watched with horror the undercover videos of Planned Parenthood senior leadership haggling over the price and negotiating the sale of tiny baby hearts, lungs, livers, and brains from its massive abortion practice. Nearly a year after the initial release of these videos, Planned Parenthood still does not and cannot deny that the videos depict its senior officers and medical directors discussing ways to change their abortion procedures to harvest highest-quality fetal organs in exchange for money.

Because of the unique and groundbreaking work of the Energy and Commerce Committee’s Select Investigative Panel, we now know that those harrowing undercover videos only scratched the surface of Planned Parenthood’s illicit trade in aborted baby parts with for-profit companies like StemExpress. The violations in Planned Parenthood’s baby parts program—of federal law and regulations, of patient privacy and safety, and of basic human dignity—go even deeper than the public or the public’s elected representatives previously recognized.

At the Panel’s most recent “The Pricing of Fetal Tissue” hearing on April 20<sup>th</sup>, three former Department of Justice prosecutors testified that the evidence the Panel had uncovered documenting the turn-key business relationship between StemExpress and Planned Parenthood established probable cause that federal law prohibiting the for-profit exchange of fetal tissue had been violated.<sup>1</sup> In addition, these witnesses agreed that the evidence showed probable cause that Planned Parenthood and StemExpress had conspired and aided and abetted each other in violating the federal statute against fetal trafficking.

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<sup>1</sup> See testimonies of Brian Lennon, Michael Norton, and Kenneth Sukhia, “The Pricing of Fetal Tissue,” Select Investigative Panel, 20 April 2016. <https://energycommerce.house.gov/hearings-and-votes/hearings/pricing-fetal-tissue>

Earlier this month, the Panel revealed the actual contracts between some of the largest Planned Parenthood affiliates in the country and StemExpress. These contracts, such as the one with Planned Parenthood Mar Monte, provide that Planned Parenthood will bill StemExpress \$55 for every fetal organ “determined in the clinic to be usable” that StemExpress is able to procure.<sup>2</sup> Ironically, there is no provision in the contracts for any reimbursement of hard costs to Planned Parenthood—only charges from Planned Parenthood based on the volume of fetal body parts moved by StemExpress.

The language in the Planned Parenthood contracts is chilling: “Planned Parenthood Mar Monte will invoice Stem-Ex [StemExpress] monthly for the number of POC’s and number of maternal bloods procured by Stem-Ex.” Planned Parenthood Mar Monte does over 18,000 abortions every year.<sup>3</sup> At the time they signed this contract, they were therefore looking at projections of nearly \$1 million from StemExpress each year if every abortion yielded just one “usable” body part.

Three weeks ago, the Panel sent formal complaint letters to the Department of Health and Human Services laying out the violations of medical research ethics, patient consent, and patient privacy discovered in the “business relationship”<sup>4</sup> between Planned Parenthood and StemExpress. The Panel wrote:

*the Panel’s investigation has uncovered information indicating that StemExpress and Planned Parenthood Mar Monte, Planned Parenthood Shasta Pacific and Family Planning Specialists Medical Group committed systematic violations of the Health Insurance Portability and Accountability Act of 1996 (‘HIPAA’) privacy rule from about 2010 to 2015. **These violations occurred when the abortion clinics disclosed patients’ individually identifiable health information to StemExpress to facilitate the TPB’s efforts to procure human fetal tissue for resale.***<sup>5</sup>

Planned Parenthood’s contracts with StemExpress provided that Planned Parenthood would share pregnant women’s private medical information “as necessary to obtain patients’ consent for use of POCs,” the “products of conception,” or fetal organs. Because “the disclosures of patients’ PHI made by the abortion clinics, and received by StemExpress, were neither required nor permitted under HIPAA,” as the Panel has noted, “Each time that an abortion clinic employee shared a medical chart with a StemExpress employee, both violated the HIPAA privacy rule.”<sup>6</sup>

And each time StemExpress was able to successfully harvest a “usable” fetal organ from an aborted baby, they paid Planned Parenthood \$55 for that fetal organ. With approximately 25,000 patients seeking abortions and pregnancy tests at Planned Parenthood Mar Monte each year,<sup>7</sup> this single Planned Parenthood affiliate exposed the private medical information of hundreds of thousands of women during the course of its relationship with StemExpress.

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<sup>2</sup> “Service Agreement with Planned Parenthood Mar Monte,” Attachment L to Select Panel’s letter to Centralized Case Management Operations, Department of Health and Human Services, 1 June 2016. <https://energycommerce.house.gov/sites/republicans.energycommerce.house.gov/files/documents/114/letters/20160603HIPAA.pdf>

<sup>3</sup> FY 2015 Annual Report, Planned Parenthood Mar Monte.

<https://www.plannedparenthood.org/files/3314/4605/9838/PPMM-Annual-report-2015.pdf>

<sup>4</sup> StemExpress referred to their “business relationship with Planned Parenthood” in a statement quoted in CNN, 25 August 2015. <http://www.cnn.com/2015/08/25/politics/planned-parenthood-eighth-full-video-stemexpress/>

<sup>5</sup> page 2, letter to Centralized Case Management Operations, *Ibid.*

<sup>6</sup> pages 4-6, *Ibid.*

<sup>7</sup> See FY 2015 Annual Report, *Ibid.*, and Annual Reports 2010-2014. <https://www.plannedparenthood.org/planned-parenthood-mar-monte/who-we-are/annual-reports>

Furthermore, the Panel found that the patient consent form used at Planned Parenthood to get alleged “permission” from pregnant women to harvest their babies’ body parts after abortions “was grossly insufficient.”<sup>8</sup> This form, which bears the logo and internal document control numbers of Planned Parenthood, represents to pregnant women that “tissue that has been aborted has been used to treat and find a cure for such diseases as diabetes, Parkinson’s disease, Alzheimer’s disease, cancer, and AIDS.”<sup>9</sup>

In fact, no such treatments or cures exist. When Dr. Lawrence Goldstein, a UC San Diego stem cell scientist, Planned Parenthood financial donor, and user of Planned Parenthood-aborted fetal brain,<sup>10</sup> was asked about the language of this form under oath, he testified: “That’s an inappropriate statement that should not have been made on that form. I don’t know who wrote it, that would not have made it past my IRB.”<sup>11</sup>

The fact that Planned Parenthood produced a coercive and fraudulent “consent” form to persuade patients to “donate” their aborted babies’ body parts is bad enough, but it is unconscionable that Planned Parenthood did so for their own financial benefit—\$55 for every “usable” body part. It is an outrage that Planned Parenthood gave StemExpress technicians access to patients’ private medical files in order to secure their signatures on the fraudulent “consent” forms, and that these technicians operated within a “bonus” structure dependent on the number of high-quality fetal body parts they could procure.<sup>12</sup>

The end result of these sordid arrangements for fetal organ harvesting is nothing short of barbaric. Planned Parenthood provided such intimate access to StemExpress into its patient medical records that the company could email customers from the clinic offering what fetal “specimens” were available to purchase that day. “There will be some potentials tomorrow, would you like to be on the schedule?” a StemExpress representative emailed in reply to a customer’s grim query: “How is the pancreas forecast today - any possible procurements?” Another StemExpress customer emailed on April 13, 2015: “[i sic] also wanted to put in another order of 4 normal fetal brains distributed as before [...] please send me a quote for the same.”<sup>13</sup>

We know that nearly every one of the large Planned Parenthood affiliates in California has worked with a tissue procurement company like StemExpress over the past 5 years.<sup>14</sup> Statements from Planned Parenthood officials reveal that Planned Parenthood has also operated baby parts supply programs in Oregon, Washington, Texas, Colorado, Utah, Michigan, Wisconsin, New York, and Washington, D.C.,

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<sup>8</sup> page 7, letter to Centralized Case Management Operations, *Ibid.*

<sup>9</sup> “Planned Parenthood Consent Form,” Attachment P to *Ibid.*

<sup>10</sup> Israel MA, Goldstein LSB, et al, *Nature*, 9 February 2012.

<http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3338985/#S5title>

<sup>11</sup> page 149:3344-3346, testimony of Dr. Lawrence Goldstein, “The Bioethics of Fetal Tissue,” Select Investigative Panel, 2 March 2016. <http://docs.house.gov/meetings/IF/IF04/20160302/104605/HHRG-114-IF04-Transcript-20160302.pdf>

<sup>12</sup> “Procurement Technician Compensation Policy for Tissue and Blood Procurement,” Attachment I to letter to Centralized Case Management Operations, *Ibid.*

<sup>13</sup> “StemExpress Emails,” Attachment G, *Ibid.*

<sup>14</sup> See “StemExpress Services Agreement with Planned Parenthood Shasta Pacific” and “StemExpress Services Agreement with Planned Parenthood of Santa Barbara, Ventura, & San Luis Obispo Counties,” Attachment J to *Ibid.* See also page 5 of Planned Parenthood Federation of America CEO Cecile Richards’ letter to Congress, 27 August 2015,

[https://www.plannedparenthood.org/files/8314/4709/3497/PPFA\\_Letter\\_to\\_Congressional\\_Leadership.pdf](https://www.plannedparenthood.org/files/8314/4709/3497/PPFA_Letter_to_Congressional_Leadership.pdf) and House Energy & Commerce Committee Minority Memorandum, 9 September 2015. <http://democrats-energycommerce.house.gov/sites/democrats.energycommerce.house.gov/files/Memorandum%20from%20Energy%20and%20Commerce%20Committee%20Democratic%20Staff%2C%2009.09.2015.pdf>

and at an unknown number of other locations. Furthermore, the work of the Select Panel indicates that as of last year, nearly 1 in every 5 abortion clinics in the country was selling fetal tissue to StemExpress.<sup>15</sup>

The American people overwhelmingly support the continued investigation and oversight of Planned Parenthood by Congress and the Select Panel: 76% of Republicans, 72% of Independents, and 64% of Democrats all back continued investigations. Moreover, while the outrages and abuses in Planned Parenthood's barbaric abortion program continue to be scrutinized, 56% of Americans want to see taxpayer funding reduced or eliminated from the organization.<sup>16</sup>

There are already 13,000 Federally Qualified Health Centers and Rural Health Centers across the country that provide comprehensive, full-spectrum health care regardless of patients' ability to pay. They outnumber Planned Parenthood clinics nearly 20 to 1. There is no need, and no justification whatsoever to continue to spend over half-a-billion taxpayer dollars each year on Planned Parenthood's lawless and unaccountable abortion business.

The undersigned individuals and organizations urge you during the appropriations process to take into account the investigative findings against Planned Parenthood showing its serious criminal and patient care violations and betrayal of the public trust. Planned Parenthood does not deserve one more cent from the American taxpayer, and its funds should be immediately reassigned to safe and mainstream FQHCs.

Respectfully,

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<sup>15</sup> "Procurement Business' Clinic Growth Strategy," Exhibit B4 in Majority Exhibits, "The Pricing of Fetal Tissue," Select Investigative Panel, 20 April 2016. <http://docs.house.gov/meetings/IF/IF04/20160420/104822/HHRG-114-IF04-20160420-SD004.pdf>

<sup>16</sup> Nationwide Dual-Frame Survey of Adults, December 3-6, 2015, the polling company, inc./WomanTrend. <http://pollingcompany.com/wp-content/uploads/2015/12/CMP-survey-and-fg-charts-about-Planned-Parenthood-Dec-2015-2.pdf>

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