

**A Response by Texas Pregnancy Care Network  
to the NARAL's "2008 Annual Report: Taxpayer Financed Crisis Pregnancy  
Centers: A Hidden Threat to Women's Health"**

Introduction

In April 2008, a political organization called NARAL published an opinion about the Texas Alternative to Abortion Services Program, a State of Texas program, which is administered by Texas Pregnancy Care Network (TPCN), a private, non-profit corporation.

The NARAL opinion, some 40 pages in length, is full of inaccuracies. It is as misleading as it is irrelevant in its reliance on past contract terms and years-old events and statistics, to the exclusion of current ones. Its tone is at times alarmist, its logic often strained, and its commentary reveals unfamiliarity with the reality of business start-ups, and near-disdain for the value of social services.

Plainly, the NARAL opinion should be recognized as the ordinary and expected product of a politically charged entity, apparently threatened by the success (or mere existence) of an opposing viewpoint--specifically, the viewpoint that women facing an unplanned pregnancy should have choices other than abortion. That women should feel supported and confident in choosing childbirth is hardly a controversial viewpoint. And so by its opposition to it, the NARAL opinion's radical and anti-choice posture is clear.

Accordingly, to the extent TPCN responds to the NARAL opinion, it does so briefly. Most of the issues raised in the opinion are old. They have already been addressed by TPCN in February 2007 via the Media FAQs on the [texaspregnancy.org](http://texaspregnancy.org) website. Furthermore, there are few responses, actions or circumstances that will ever satisfy or silence the radical elements and their supporters, whether in Texas or beyond. To wit: the endurance and success of an identical abortion-alternatives program in Pennsylvania, now in its thirteenth year, proves that there are no "hidden threats" and "detrimental" consequences that can be expected from this Program. Yet, some 40 pages of hysteria still attempt to convince Texans otherwise.

TPCN is not a political entity. It has been hired by the State of Texas to administer a contract, not to add its voice to public conversations about abortion. TPCN is confident that members of the media and public, even with scant diligence, will recognize the obvious deficiencies of the NARAL opinion. Nevertheless, to aid this recognition, below TPCN provides, in turn, general comments about the timing and accuracy of the NARAL opinion, followed by a list of easily-verifiable Program statistics, all of which were ignored.

## General Comments

**Timing.** From the day it was published, the NARAL opinion was out of date, and thus, is irrelevant as a reliable commentary of Program success, or predictor of future performance.

Released on April 15, 2008--*eight and a half months* into FY 2007-08--the NARAL opinion focuses only on events that happened during FY 2006-07, when the Program was in its immediate start-up period. Though available, the Program's current fiscal year contract and recent statistics were omitted from the analysis.

These omissions are deliberate. Their inclusion would otherwise reveal trends that are inconvenient to the authors' agenda, which is to show the most inflated costs and anemic client services data possible.

Experienced business people and policy makers will not be shocked to learn that the Program incurred start-up costs and provided fewer client services during its first year and a half. Instead, experienced observers will want for more recent data, so they can see trends showing growth and emergence out of the start-up phase. The NARAL opinion, by selectively analyzing only the start-up period and ignoring current data, denies the ability to identify such trends, and is effectively irrelevant as a result. TPCN provides the most relevant current data in the "Quick Highlights" section, further below.

**Accuracy.** Despite having more than 6 months to analyze the data it cites, the authors of the NARAL opinion nevertheless commit multiple errors, some of which are significant. As a result, the data and conclusions presented within the opinion, particularly those decorated awkwardly by exclamation points (!), should not be trusted without independent verification. Only two examples are provided below; alone, they demonstrate the sloppy quality of the NARAL opinion, and inspire skepticism about its validity, altogether.

Example 1: The NARAL opinion claims that the Program's administrative costs represent 44% of all Program funds (see Executive Summary, p.6). Yet the Program's HHSC-approved budget plainly shows that Project Administration costs represent only **15%** of the awarded funds. An administrative budget of 44% is not possible in a TANF program, as federal regulations require that such programs have an administrative cap on costs of 15%. As of February 2008, TPCN's actual Project Administration costs represented only **12%** of total actual costs, 3% under budget.

Example 2: Just one sentence following the authors' claim that they conducted a "thorough analysis" of TPCN's FY 2007 spending, the authors misstate that TPCN spent a total of "\$2,500,000" during 2007 (see p.24). Yet a quick glance at the year-end financial reports sent to HHSC reveal that in 2007, TPCN only spent \$1,947,735.39. This \$500k+ error obviously results in multiple ratio miscalculations in other portions of the NARAL opinion, and effectively nullifies the entire commentary of 2007 performance.

## Current Program Highlights.

**TPCN Fiscal Responsibility.** TPCN has been audited twice by an independent CPA firm. Its most recent audit was an **OMB Circular A-133 audit**. Both audits resulted in **perfect opinions**, meaning all Program expenditures were in complete compliance with federal guidelines governing the administration and expenditure of TANF funds. Source: Audited Financial Statements, 2006, and 2007, Texas Health and Human Services Commission.

**TPCN Program Contract Compliance.** TPCN has been **monitored** twice by representatives of the Texas Health and Human Services Commission. Both monitoring events resulted in reports finding **no compliance violations, nor any recommendations needed**. Source: Monitoring Reports, Texas Health and Human Services Commission.

**Clients Served.** From Program inception through February 2008, more than **7,200 unique clients** making more than **40,000 visits** have received Program services. Sources: Quarterly Status Report, June 1, 2007 to August 31, 2007; Quarterly Status Report, December 1, 2007 to February 29, 2008, Texas Health and Human Services Commission.

**Client Satisfaction.** In 40,000+ visits, no client complaints have been received by TPCN. In FY 2007-2008, more than **99%** of clients served have indicated they felt physically, mentally, and emotionally supported from services received. Sources: Quarterly Status Report, June 1, 2007 to August 31, 2007; Quarterly Status Report, December 1, 2007 to February 29, 2008, Texas Health and Human Services Commission.

**Service Providers.** As of March 2008, participating Service Providers are operating at **21 sites**, and include social service agencies, pregnancy support centers, maternity homes, maternity shelters, and residential care facilities. Service Provider sites are located in **9 of 11 HHS regions**, from El Paso to Texarkana, and Beaumont to Amarillo. Sources: Quarterly Status Reports, Texas Health and Human Services Commission.

**Cost Per Client.** Current FY 2007-08 cost per client, through February 2008: Client visits = 18,434, made by 3,365 unique clients; cost = **\$64.78** per visit, **\$354.89** per unique client. Sources: Quarterly Status Report, December 1, 2007 to February 29, 2008; Monthly Financial Report, February 2008, Texas Health and Human Services Commission.

**Administrative Costs.** Current FY 2007-08 administrative costs through February 2008: Actual year to date Project Admin costs = \$142,242.54; actual year to date Total Costs = \$1,194,196.60; percentage of Project Admin costs to Total Costs = **12%**. Source: Monthly Financial Report, February 2008, Texas Health and Human Services Commission.