

Why We Conducted This Audit

This report provides information on Louisiana's Pregnancy and Baby Care Initiative (PBCI) administered by the Department of Children and Family Services' (DCFS) Division of Family Support, including the funding, services offered, and oversight of pregnancy centers. According to Act 329 of the 2024 Regular Legislative Session, effective August 2024, the PBCI is intended to promote childbirth instead of abortion by funding centers to offer counseling services; support services, such as referrals to social service programs; classes; and/or material items, such as car seats and cribs; that are intended to improve the pregnancy or parenting situation. This review is intended to provide recommendations on the implementation of PBCI because it is a new program within DCFS. We also conducted this review because the program is focused on improving conditions for pregnant women, and a previous LLA report identified worsening maternal health outcomes for Louisiana women.

As of June 2025, there were 38 pregnancy centers in operation across Louisiana. Twelve of these pregnancy centers have contracts with DCFS through the PBCI and received state funds in fiscal year 2025.

What We Found

We answered the following questions:

1. What services do pregnancy centers participating in the PBCI provide?

State law clearly defines the four services eligible for state funding under the PBCI. These services are (1) counseling or mentoring, (2) referrals, (3) classes, and (4) material items. According to our survey, pregnancy centers provide more services than the ones eligible for payment as part of the PBCI program, including some healthcare services. However, pregnancy centers are not regulated as licensed healthcare providers.

2. How is the PBCI program funded?

According to DCFS, it funds the PBCI program exclusively with state general funds. The legislature allocated \$4 million to the PBCI for fiscal year 2025; however, \$2.8 million was unused. State general funds appropriated to the PBCI have decreased by \$2.26 million for fiscal year 2026, to a total of \$1.74 million. According to DCFS, additional state general fund appropriations will



Diaper room in one of the PBCI participating pregnancy centers.

What We Found (Cont.)

need to be secured for fiscal year 2026 in order to increase pregnancy centers’ annual cap amounts to the agreed-upon contractual rates. Further, DCFS has allocated \$2.26 million in Temporary Assistance for Needy Families federal funding for the PBCI to supplement the decrease in state general funds for fiscal year 2026.

3. How are pregnancy centers paid for services provided?

Pregnancy centers are paid monthly by DCFS using a fee-for-service model, as required by state law. However, the services eligible for state funding outlined in current PBCI contracts do not match what is allowed in state law. As a result, DCFS could have paid pregnancy centers for services ineligible for funding under state law. According to DCFS, its new payment policy will require pregnancy centers to document which services eligible for funding in state law were provided for each client.

Table with 2 columns: Service Description, Unit Rate. Rows include Intake (\$50.00), Nursing Services (\$100.00), Case Management (\$100.00), and Programmatic Data (\$50.00). Source: Prepared by legislative auditor’s staff using data provided by DCFS.

4. How is DCFS determining performance outcomes of pregnancy centers participating in the PBCI?

DCFS’ contracts with pregnancy centers require the centers to report monthly progress on their performance measures to DCFS. However, it is unclear if pregnancy centers met the monthly performance measure targets for fiscal year 2025 because DCFS did not enforce the contract requirement that pregnancy centers submit monthly data after reaching their annual cap.

5. How are pregnancy centers monitored for compliance?

State law requires DCFS to promulgate rules and regulations necessary to implement the PBCI program that started in August 2024, including appropriate oversight provisions and penalties. However, as of July 2025, DCFS had not promulgated such rules or regulations.

6. What role will the general contractor assume under the PBCI?

State law requires a single nonprofit organization to be selected by DCFS to serve as general contractor and manage the provision of services, including subcontracting with existing nonprofit pregnancy centers. This could potentially decrease the funding available to pregnancy centers for services rendered because the general contractor will collect an administrative fee to pass funding from DCFS to the pregnancy centers. The only additional service the general contractor is statutorily required to provide that DCFS and the individual pregnancy centers are not currently providing is creating a website. Further, the PBCI legislation prohibits DCFS from assigning additional responsibilities to the general contractor.

We made six recommendations to DCFS and five matters for legislative consideration. DCFS agreed with all six of our recommendations. See Appendix A in the report for the agency’s full response.