

Waste, Fraud and Abuse - Impediments to Streamlining Cleanups

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Waste, Fraud and Abuse

- White collar and environmental crime
- Motivation
 - Greed
 - Cover up mistakes or incompetence
 - Collusion
 - Deductibles
 - Real estate transaction
 - Upgrade costs

Waste, Fraud and Abuse

■ Waste

- Inappropriate, inefficient technologies and response actions - "design to fail"
- Solutions:
 - Feasibility study for use of a new technology
PfP is a good option
 - Site audits
 - Well trained technical staff
 - License revocation
 - Certification of environmental professionals

Waste, Fraud and Abuse

■ Fraud

- Doctoring/creating false invoices

■ Solutions:

- Random audits
- Site audits
- Request field notes
- Validate work by subs
- Reasonable rates
- No out of period invoices
- Database tracking of costs

Waste, Fraud and Abuse

- Fraud

- Collusion and bid rigging - NC's example
- Solutions:
 - Open communication with consultants
 - Active prosecution
 - Encourage whistle-blowers

Waste, Fraud and Abuse

- Fraud

- Equipment not present at site!

- Solution

- Field verification

Waste, Fraud and Abuse

- Abuse

- Difference between actual cost vs. amount claimed
- Double billing

- Solutions:

- Proof of payment/cancelled checks
- Documented invoices
- Examination of consultant and subcontractor records

Waste, Fraud and Abuse

- Abuse

- Claim factoring

- Solution:

- Full disclosure of parties with financial interest

Waste, Fraud and Abuse

■ Abuse

- Tapping funds for other state interests
- Solutions:
 - Communication with administration/legislators
 - Clearly defined statutes and rules
 - Vote for the other guy/gal!

Waste, Fraud and Abuse

- Abuse

- Artificial ways of achieving PfP milestones

- Solution:

- Site audits

Waste, Fraud and Abuse

- Internal issues
 - Cleanup staff involvement :- (
 - Morale
 - Political pressure
 - Adequate training
 - “Chilling” effect
 - Limited investigation resources