Chicago "Qui Tam" Attorney Michael I. Behn Predicts Surge in Whistleblower Suits to Fight Fraud in TARP and Other Federal Bailout Programs

Nationally recognized whistleblower lawyer Michael I. Behn of Chicago, Illinois, was recently quoted in a national business magazine as anticipating a surge in False Claims Act cases alleging fraud in the Troubled Asset Relief Program ("TARP") and other federal bailout programs. Under the qui tam provisions of the False Claims Act, whistleblowers who discover fraud in the TARP and bailout programs are encouraged to bring lawsuits on behalf of the government. These whistleblowers, known as "relators," have recovered billions of dollars for fraud in government programs like TARP, through cases involving Medicare and Medicaid fraud, defense contracting and procurement fraud, and other False Claims Act prosecutions. The False Claims Act encourages private citizens with knowledge of fraud in TARP and other bailout programs to help the government recover ill-gotten gains. Whistleblowing qui tam relators can receive legal protection from retaliation and up to 30 percent of the governments' recovery.

Chicago (PRWEB) May 12, 2009 -- Nationally recognized whistleblower's lawyer Michael I. Behn, of Behn & Wyetzner, Chartered in Chicago, Illinois, predicts a surge in False Claims Act cases against companies benefitting from the Troubled Asset Relief Program ("TARP") and other federal stimulus and bailout programs. "Companies receiving TARP funds are particularly vulnerable to whistleblower lawsuits," said Behn in the latest issue of Crain's Workforce Management, a national magazine dedicated to analyzing national trends in human resource and personnel issues. Behn specializes in the prosecution of cases under the False Claims Act, which encourages and protects whistleblowers who report fraud against the government in TARP and other government programs.

The United States Special Inspector General for the Troubled Asset Relief Program, Neil M. Barofsky, has repeatedly stressed that the government will require all entities receiving TARP funds to: (1) outline their use and expected use of TARP funds; (2) provide supporting documentation; and (3) certify the accuracy of all statements, representations and supporting information. The certification must be made by a duly authorized senior executive officer of each company.

Submitting false TARP certifications subjects the company to lawsuits by the government and whistleblowers under qui tam provisions of the False Claims Act. "Unfortunately, American history teaches that we must expect significant fraud in any large government program like TARP." said Behn. "The False Claims Act dates back to the Civil War. It's 'qui tam' provisions, allowing citizen suits to assist the government in fraud recovery, pre-date the American Revolution. Yet, the False Claims Act continues to be the government's most effective tool for combating fraud, recovering over billions to the treasury."

Behn expects that whistleblowers will provide critical assistance to the government by uncovering fraud in TARP and other stimulus and bailout programs. In addition to TARP, the government has provided hundreds of billions in funding through the Emergency Economic Stabilization Act of 2008 and the Term Asset-Backed Securities Loan Facility ("TALF"). Fraud in these programs similarly exposes companies to liability under the qui tam provisions of the False Claims Act.
The False Claims Act and its qui tam provisions encourage citizens who witness fraud against the government to bring a lawsuit on behalf of the government. These qui tam whistleblowers are known as relators. Relators' cases are filed "under seal," meaning they are kept secret while the government investigates the whistleblower's allegations. If the government substantiates that false claims were submitted, the relator can receive between 15 and 30 percent of the government's recovery.

Behn has successfully prosecuted financial fraud, as well as numerous false claims act cases, over the past twenty years. Behn began his career by obtaining felony convictions of major players in the New York futures markets, as a federal prosecutor in the United States Attorney's Office for the Southern District of New York, Securities and Commodities Fraud Unit.

Over the past decade, Behn has established a national reputation for prosecuting fraud against the government under the qui tam provisions of the False Claims Act. Behn recently garnered national attention from CBS News and others for representing a pharmacist-whistleblower in recovering over $120 million through a series of False Claims Act settlements for Medicaid fraud by national pharmacies. These qui tam cases included a $35 million multi-state Medicaid fraud settlement with Walgreens pharmacies involving generic drug switching, a $37 million qui tam settlement with CVS Caremark Corp., owner of CVS pharmacies, and a $50 million qui tam settlement in late 2006 with Omnicare, Inc., the nation's largest pharmacy for nursing homes.

Court filings and other details about these cases and qui tam relator pharmacists can be found at the reference Web site, www.PharmacyFraudSettlement.com. All three qui tam whistleblower cases were filed under federal and state False Claims Acts in the U.S. District Court in Chicago, Illinois, docket numbers 03 C 744 (Walgreens), 03 C 742 (CVS) and 01 C 7433 (Omnicare).

Behn has also represented successful whistleblowers in various defense contracting fraud cases, including a $134 million settlement against Northrop Grumman Corp. involving alleged false claims in the B-2 "Stealth" Bomber and other U.S. Air Force programs. (89 C 6111) Earlier this year, Behn also represented successful qui tam whistleblowers in a $15 million defense contracting fraud settlement with Chicago advertising agency Leo Burnett involving false claims to the Army in connection with the "Army of One" and other advertising campaigns. (04 C 3897)

Behn founded the Chicago, Illinois whistleblowers' law firm Behn & Wyetzner, Chartered, with his partner, employment-lawyer Linda Wyetzner. Behn was the first whistleblowers' "Lawyer of the Year" honoree by Washington, D.C.-based Taxpayers Against Fraud ("TAF"). TAF's members are attorneys and whistleblowers who pursue "qui tam" cases, under federal and state False Claims Acts, against companies that have defrauded the government, such as pharmacies and defense contractors. The qui tam lawyers' group lauded Behn's "tenacity, management skills and dedication" in his representation of relators under the False Claims Act.

Behn & Wyetzner is part of the Whistleblower Action Network, a team of attorneys who have dedicated their law practices to representing citizens-whistleblowers willing to help state and federal government efforts to fight fraud. Whistleblower Action attorneys include Steven H. Cohen of the Cohen Law Group in Chicago, Illinois, and L. Timothy Terry of The Terry Law Firm of Carson City, Nevada. Cohen and Terry have also achieved prominence in prosecuting qui tam actions under state False Claims Acts. Last year, Cohen represented the relator in a $400 million multi-state Medicaid fraud settlement with Merck Inc. involving the drugs Vioxx® and Zocor® (EDPA 00CV6158). Terry, during his 17 year tenure as a Medicaid fraud prosecutor with Nevada Attorney General's office, served as President of the National Association of Medicaid Fraud
Control Units, the organization uniting all state Medicaid fraud prosecutors.

Further details about the Whistleblower Action Network, Behn & Wyetzner, qui tam actions, relators, whistleblower protection, Medicare and Medicaid fraud, pharmaceutical and pharmacy fraud, procurement fraud, the federal False Claims Act, and state False Claims Acts can be found at www.WhistleblowerAction.com.

###
Contact Information
Michael Behn
Behn & Wyetzner, Chartered
http://www.PharmacyFraudSettlement.com
312 629 0000

Online Web 2.0 Version
You can read the online version of this press release here.