

Qui tam and whistle blowing

Law



Qui tam and whistle blowing [Insert [Insert Unit and [Insert [Insert Qui tam and whistle blowing Introduction The federal government makes vast volumes of monetary transfers annually for instance, the subsidiary Medicare program. Subsidy programs that use taxpayer money number about 1800 and because of the massive size of the programs, several frauds, and abuse of these programs occur. Almost all subsidy programs being victims of fraud and abuse which cost the federal government up to USD 100 billion annually so programs like the Qui tam are designed to help the government recover money with the informer (whistleblower) being entitled to a portion of the recovered money. Having a system that allows for anonymous reporting of frauds should be incorporated especially in the private sector to check the massive loss of taxpayer money. This paper briefly looks at a scenario touching on Qui tam and seeks to give a recommendation on its place in the corporate world.

Do you think Joseph Wellington handled and answered the question in an appropriate manner?

Joseph Wellington definitely handled the question satisfactorily or even appropriately; he just spoke of the need for sufficient grounds to initiate a qui tam. He did not explain briefly what it is, its merits, and what the policy of his firm in whistle blowing is. Having a credible case could be a policy but it should be part of a more elaborate policy for Josephs' organization.

How would you have answered the question?

The first step in answering the question would be to explain briefly what Qui tam is and how it applies to the organization. Qui tam is a provision within the federal claims act modified in 1986, which grants a whistleblower who initiates a qui tam (a suit) on behalf of the United States government

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between 15 and 25 percent of funds, the federal government recovers. The government recovers these funds due to the actions and evidence of the whistleblower against fraudulent claims that lead to wastage or loss of federal funds to entities that make false claims against it. The company policy on Qui tam is open; you can initiate legal proceedings whenever there is sufficient evidence to suggest false claims were made against the federal government. Workers are protected in the event that they take Qui tam action against the company. However, all employees must take the requisite steps to ensure this is not abused and that company secrets are kept that way (Johnson, 2003). The company should have a policy for whistle blowing which can be done securely and anonymously without exposing the whistleblower. This; Mr. Joseph should have said is part of the company's fraud reduction strategy which could end up saving the company rather than an uncomfortable topic to be brushed over.

Do you think whistle blowing is a welcomed practice in the workplace? Why? Whistle blowing should be welcomed and even encouraged at the workplace with an elaborate whistleblower scheme to protect the whistleblowers.

Usually employees are the first to detect frauds and other illegal acts and sometimes they just brush it aside since, should the frauds be detected, they are the culprits. Nonetheless, putting in place internal structures and mechanisms to report unethical and fraudulent behavior, which will assist the affected companies mitigate possible losses. The fraud reporting system should form part of an organizations risk management and threat reduction strategy by providing a means for reporting suspected fraud preferably anonymously (' Tech Target, 2002). Protection for whistleblowers is crucial in stopping fraud against the federal government since usually employees face <https://assignbuster.com/qui-tam-and-whistle-blowing/>

hostility and / or lack of support. For instance at World com, the auditor moved to do further investigations despite the CFO asking her to postpone the audit. At Enron, the accountant through memos to the CEO helped unearth the scandals, which if done earlier may have saved shareholders and employees much loss and agony (Ravishankar, 2003). So whistle blowing should be incorporated into an organization's risk management and corporate social strategy. The Enron whistle blower Sharon Watkins says that had ' Wiki Leaks' been in existent at that time she would have gone to them. As such whistle blowing, far from causing friction and ' bruising' a few egos, is crucial as a tool to protect company shareholders and employees.

Conclusion

Qui tam is a system that allows the governments recover money claimed fraudulently through whistleblowers that get a portion of the recovered money. The private sector in particular should incorporate it into their systems as it could save a firm from collapse or save shareholder losses as happened for instance at Enron. An anonymous fraud reporting system should be incorporated as part of a firms risk management program

References

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