Letter to the President

U.S. OFFICE OF SPECIAL COUNSEL
1730 M Street, N.W., Suite 218
Washington, D.C. 20036-4505
202-254-3600

December 5, 2008

The President
The White House
Washington, D.C. 20500

Re: OSC File No. DI-07-1676

Dear Mr. President:

The Office of Special Counsel (OSC) received disclosures from an anonymous whistleblower alleging that a pharmacist at the Department of the Army (Army), Guthrie Clinic, Fort Drum, New York, misused Army resources over a period of nine years in violation of Army regulations when he ordered healthcare services for himself.

OSC required the Honorable Pete Geren, Secretary of the Army, to conduct an investigation into the whistleblower's disclosures pursuant to 5 U.S.C. § 1213(c) and (d). The Secretary delegated his authority to review and sign the agency report to the Army Assistant Secretary of Manpower and Reserve Affairs, who submitted a report to OSC. The whistleblower also provided comments to the agency report. As required by law, 5 U.S.C. § 1213(e)(3), I am now transmitting the report and the whistleblower's comments to you.

The whistleblower provided information demonstrating that Mr. Richard C. Blunden, a pharmacist at the Army's Guthrie Clinic, Fort Drum, used agency resources to have his blood drawn and analyzed despite both a lack of authorization and a lack of eligibility for these services. The blood tests were either analyzed and processed in-house or sent to an outside laboratory at additional agency expense. Mr. Blunden was not a provider or clinical pharmacist within the applicable Army regulation. As such, Mr. Blunden was not authorized to order laboratory analysis of his or any other individual's blood.

The agency report substantiated the whistleblower's allegations. The agency found that from approximately January 1997 to February 2003, Mr. Blunden used unauthorized agency resources to have his blood drawn and analyzed approximately 25 times. Furthermore, Mr. Blunden was not eligible for Army health services because he was not an active duty serviceman and he was not enrolled in the Defense Enrollment Eligibility Reporting System (DEERS). Army Regulation 40-400. The agency also found, however, that because Mr. Blunden was a federal employee, some of the blood tests appeared to have fallen within broad parameters of the Army's Occupational Health Program and, therefore, some blood tests were determined by the agency to be legitimate. Nonetheless, the agency concluded that the

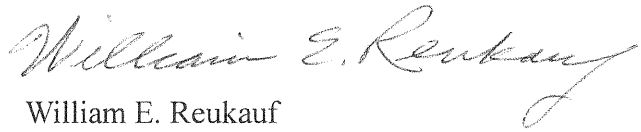
whistleblower's allegations that Mr. Blunden used Army resources improperly were substantiated. Consequently, Mr. Blunden was suspended from duty without pay for 28 days. In addition, the agency has requested repayment of unauthorized and ineligible services from Mr. Blunden. Furthermore, the agency is addressing patient identification processes when ordering laboratory tests to ensure that only authorized persons receive laboratory services in the future.

The whistleblower, upon review of the report, found that the investigation was flawed in three areas. First, the report reflected Mr. Blunden had a valid identification card and that the clinic personnel thought the employee was entitled to benefits. However, the whistleblower asserts that Mr. Blunden only had a valid civilian identification card, not a beneficiary identification card that would have entitled him to medical services. Secondly, the whistleblower questioned Mr. Blunden citing approval from a prior laboratory director, who is now deceased and, obviously, unable to refute oral approval claims. Thirdly, the whistleblower stated that Mr. Blunden had several inconsistencies in his statements to investigators and, only upon pressure, did he admit wrongdoing in that he improperly used government health services.

I have reviewed the original disclosures, the agency report, and the whistleblower's comments. Based on a review of the record, I have determined that the agency report contains all of the information required by statute, and that its findings appear to be reasonable.

As required by § 1213(e)(3), I have sent a copy of the agency report and the whistleblower's comments to the Chairmen of the Senate Committee on the Armed Services and the House Armed Services Committee, and the Committees' respective Ranking Members. We have also filed a copy of the agency's redacted report and the whistleblower's comments in our public file and closed the matter.

Respectfully,



William E. Reukauf
Acting Special Counsel

Enclosures