



Public Corruption and Kickbacks

Public corruption involves VA employees breaching the public's trust by using their positions for private gain. Kickbacks involve any individuals accepting something of value in exchange for preferential treatment or payments to the individual or entity offering the kickback (including medical service providers, contractors, or vendors). Indicators of potential violations include the following:

- Employees socialize closely with individuals trying to provide services or products to VA, to include “wining and dining” and the acceptance of gifts.
- VA personnel conduct quality reviews that do not appear to match performance.
- Contract violations are not documented.
- A single vendor is repeatedly used in a competitive field, particularly if there has been prior poor performance.
- VA employees, for themselves or on behalf of their family or friends, purchase stocks or financial interests involving a contractor, subcontractor, vendor, or other entity doing business before VA.
- Staff explore possible employment inquiries for themselves or a family member with an entity that seeks or is doing business with VA.
- VA personnel have an unexplained increase in wealth and are positioned to benefit entities doing business with VA.
- Restrictions are included in contract solicitation documents that limit competition, such as defining statements of work and specifications to fit the products or capabilities of a single contractor or designing “prequalification” standards or specifications to exclude otherwise qualified contractors or their products.
- Special assistance or information about the procurement is provided to one contractor but is not revealed to all.
- Time limits for bid submission position only those with advance information to have adequate time to prepare proposals.
- Statements of work, specifications, or sole-source justifications are developed by or in consultation with a contractor permitted to compete in the procurement.
- Bid solicitation is vague as to the time, place, or other submission requirements.



Public Corruption and Kickbacks (continued)

- Only a small number of potential competitors were aware of solicitation (e.g., using obscure publications, publishing in holiday seasons, providing a vague or inadequate synopsis to Commerce Business Daily).
- A contractor is steered to use a specific subcontractor, expert, or source of supply.
- A late bid is accepted.
- Questionable, undocumented, or frequent requests for change orders are awarded to a particular contractor.
- VA physicians receive compensation for directing patients to a particular lab, or are paid speaking fees for promoting certain medications or healthcare supplies and/or for prescribing them or inducing others to prescribe them over less expensive, effective alternatives.