

- Law (/category/law/)
- Business (/category/business/)
- Government (/category/government/)
- Events (/events/)
- Verdicts and Settlements (https://thedailyrecord.com/law-verdicts-and-settlements/)
- Public Notices (https://thedailyrecord.com/public-notice/)

Home(/) > Law(https://Thedailyrecord.Com/Category/Law/) > 'Filling the gaps': MD lawyers weigh in on new federal whistleblowers program



Veronica Nannis, a principal in Joseph, Greenwald & Laake's False Claims Act and civil litigation departments, said companies may become incentivized by the language in the pilot program and self-report crime. (Submitted photo)

# 'Filling the gaps': MD lawyers weigh in on new federal whistleblowers program

Rachel Konieczny

(https://thedailyrecord.com/author/rachelkonieczny/) (https://www.linkedin.com/shareArticle?true&url=https://thedailyrecord.com/2024/09/11/filling-gaps-md-lawyers-weigh-in-on-new-federal-whistleblowers-program/&title='Filling the gaps': MD lawyers weigh in on new federal whistleblowers program)

4 Minute Read

(mailto:?subject='Filling the gaps': MD lawyers weigh in on new federal whistleblowers program&body=Following the U.S. Department of Justice kicking off its new pilot program for corporate whistleblowers last month, Maryland attorneys have weighed in on what can be expected from the program... You can read the content in details following link https://thedailyrecord.com/2024/09/11/filling-the-gaps-md-lawyers-weigh-in-on-new-federal-whistleblowers-program/)

▶ Listen to this article

Following the U.S. Department of Justice kicking off its new pilot program for corporate whistleblowers last month (https://www.justice.gov/criminal/criminal-division-corporate-whistleblower-awards-pilot-program), Maryland attorneys have weighed in on what can be expected from the program and how it might change the world of whistleblowing.

The pilot program, aimed at uncovering and prosecuting corporate crime, is meant to cover gaps in other, existing whistleblower programs and complement the False Claims Act, which subjects individuals to liability for submitting false claims to the government.

## UNLIMITED DIGITAL ACCESS

- 24/7 access to news, archives, free webinars and digital editions
- Public notice
- Optional print editions

\$229/yr | SUBSCRIBE

### Editors Picks (https://thedailyrecord.com/news/editors-picks/)

MD approves rural resort buy amid transparency, cost concerns 11/9/2024

(https://thedailyrecord.com/2024/09/11/md-approves-rural-resort-purchase-amid-transparency-cost-concerns/)

'Filling the gaps': MD lawyers weigh in on new federal whistleblower[...] 11/9/2024

(https://thedailyrecord.com/2024/09/11/filling-the-gaps-md-lawyers-weigh-in-on-new-federal-whistleblowers-program/)

Easton police sergeant found guilty of having sex with teens at work 11/9/2024

(https://thedailyrecord.com/2024/09/11/easton-police-sergeant-found-guilty-of-misconduct-)

While it's too early to see litigation stemming from the pilot program, Veronica Nannis, a principal in Joseph, Greenwald & Laake's False Claims Act and civil litigation departments, said companies may become incentivized by the language in the pilot program and self-report crime.

"The way that I see this program is that it's yet one more incentive for both whistleblowers and for companies," Nannis said in a phone call. "Right now, the False Claims Act is a really good incentive for whistleblowers to bring forth information they have regarding civil fraud, and it's meant to be a pretty good deterrent for companies to not engage in that fraud. I think this program just complements the others and it's filling the gaps."

Nannis said that the pilot program incentivizes the identification and disclosure of criminal activity, which the False Claims Act does not cover.

Holly Drumheller Butler, a principal who co-leads Miles & Stockbridge's white collar, fraud and government investigations practice, said the pilot program also highlights the need for robust and effective corporate compliance.



Holly Drumheller Butler, a principal who co-leads Miles & Stockbridge's white collar, fraud and government investigations practice, said the pilot program also highlights the need for robust and effective corporate compliance. (Submitted photo)

"This is intended to cover those other areas of corporate crime that the Department [of Justice] already investigates and prosecutes but doesn't have their own, particular whistleblower program," Drumheller Butler said in a phone call. "It could be quite a significant uptick."

Under the pilot program, information provided by the whistleblower must relate to one of the following areas: 1) criminal violations by financial institutions; 2) criminal violations relating to foreign corruption and bribery; 3) payment of bribes or kickbacks to domestic public officials; or 4) criminal violations related to federal health care and crimes involving private or nonpublic health care benefit programs.

for-having-sex-with-teens-at-work/)



MD justices weigh whether 'statute of repose' invalidates Child Vict[...]  
10/9/2024

(<https://thedailyrecord.com/2024/09/10/child-victims-act-debated-at-md-supreme-court/>)



MD court rules Calvert County sheriff arbitrarily denied fee waiver for...  
10/9/2024

(<https://thedailyrecord.com/2024/09/10/md-court-rules-calvert-county-sheriff-arbitrarily-denied-fee-waiver-for-aclus-records-request/>)

## Commentary (<https://thedailyrecord.com/>)



### Outdated pensions hold our cities b

Listen to this article Many U.S. cities are in poor fis shape, mainly due to an outdated relic of[...]

(<https://thedailyrecord.com/2024/08/30/>)

## More News (<https://thedailyrecord.com/news/more-news/>)



US Postal Service squeeze on shipping consolidators could raise...  
11/9/2024

(<https://thedailyrecord.com/2024/09/11/us-postal-service-squeeze-on-shipping-consolidators-could-raise-consumer-costs/>)



Federal judge temporarily blocks Utah social media laws aimed to...  
11/9/2024

(<https://thedailyrecord.com/2024/09/11/federal-judge-temporarily-blocks-utah-social-media-laws-aimed-to-protect-children/>)

The fourth subject area, according to Nannis, is meant to cover all health care criminal fraud that is outside of the False Claims Act. Health care fraud is also where legal practitioners see the most activity with the False Claims Act, because federal programs covering health care have substantial funding, Nannis said.

**MORE FROM THE AUTHOR:**

- **'Filling the gaps': MD lawyers weigh in on new federal whistleblowers program** (<https://thedailyrecord.com/2024/09/11/filling-the-gaps-md-lawyers-weigh-in-on-new-federal-whistleblowers-program/>)
- **MD court rules Calvert County sheriff arbitrarily denied fee waiver for ACLU's records request** (<https://thedailyrecord.com/2024/09/10/md-court-rules-calvert-county-sheriff-arbitrarily-denied-fee-waiver-for-aclus-records-request/>)
- **Is lack of prenatal care relevant in a newborn death case? MD Supreme Court hears arguments** (<https://thedailyrecord.com/2024/09/09/md-supreme-court-hears-howard-county-newborn-death-case/>)

"There's just so much money that goes into the health care system, and therefore it is absolutely ripe to be corrupted by people who are greedy and who have figured out a way to get around the system," Nannis said.

In December 2023, Nannis helped secure a **\$345 million payout** (<https://www.justice.gov/usao-sdin/pr/community-health-network-agrees-pay-345-million-settle-alleged-false-claims-act>) under the False Claims Act in Indiana – the largest recovery by the U.S. in history under the Stark Law, which seeks to safeguard the integrity of the Medicare program by prohibiting a hospital from billing for certain services referred by physicians with whom the hospital has a financial relationship.

The government all but depends on voluntary disclosures occurring, Nannis added, because without them it would be extremely difficult for the government to become aware of insider fraud.

"That's why these whistleblower programs are so important because just the normal auditing that the government does can't get to the heart of if fraud is happening, and if it's being covered up, they're just not going to be able to see it," Nannis said.

For companies, Drumheller Butler said now is the time to evaluate their current compliance practices and compliance programs to ensure consistency with the Department of Justice's expectations.

"We think as a baseline, [the pilot program is] a good reminder as to the requirements for robust and effective corporate compliance," Drumheller Butler said. "Beyond that, and more particularly, it is a reminder for companies to evaluate their internal processes."



Starbucks' new CEO wants to recapture the coffeehouse vibe  
11/9/2024

(<https://thedailyrecord.com/2024/09/11/starbucks-new-ceo-wants-to-recapture-the-coffeehouse-vibe/>)



New CIA workplace assault case emerges; extent of sexual...  
11/9/2024

(<https://thedailyrecord.com/2024/09/11/new-cia-workplace-assault-case-emerges-extent-of-sexual-misconduct-at-agency-shielded/>)



Consumer watchdog finds school lunch fees taking a toll on parents  
11/9/2024

(<https://thedailyrecord.com/2024/09/11/consumer-watchdog-finds-school-lunch-fees-taking-a-toll-on-parents/>)

## Networking Calendar

Today	Wednesday, September
<b>Wednesday, September 11</b>	
8:30am	Harford County Public Librar
1:00pm	Kent County Life Planning Cl
3:00pm	Loyola's Govans Farmers M:
6:00pm	Estate Planning Evening Ser
<b>Thursday, September 12</b>	
10:00am	Caroline County Life Plannin
10:00am	Executive Leadership in Law
2:00pm	2024 Legal Summit Series: L
8:00pm	JOHNNYSWIM w/ Ruby Am:
<b>Friday, September 13</b>	
8:00pm	Avery*Sunshine w/ Anthony I
8:00pm	Bob Schneider & Steve Poltz
<b>Saturday, September 14</b>	

Events shown in time zone: Eastern Time - New York Cal

Submit an entry (</calendar-entry/>) for the business calendar

## Related Content

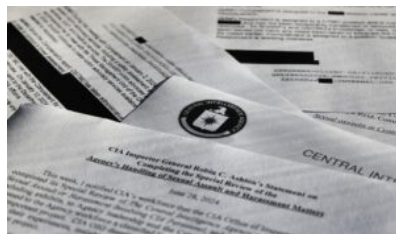


### Federal judge temporarily blocks Utah social media laws aimed to protect children

A federal judge in Utah has temporarily blocked social media access laws that leaders said were meant to prote[...]

September 11, 2024

(<https://thedailyrecord.com/2024/09/11/federal-judge-temporarily-blocks-utah-social-media-laws-aimed-to-protect-children/>)



### New CIA workplace assault case emerges; extent of sexual misconduct at agency shielded

A veteran CIA officer is facing assault and battery charges accusing him of drunkenly groping a woman and forc[...]

September 11, 2024

(<https://thedailyrecord.com/2024/09/11/new-cia-workplace-assault-case-emerges-extent-of-sexual-misconduct-at-agency-shielded/>)