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**Upcoming Educational Opportunities**

- 6/11 – Fraud, Abuse and Compliance Risk in Everyday Agreements Webinar
- 6/25 to 6/29 Coding School Week 1 (Los Angeles)
- 8/13 Privacy training tentative (Los Angeles)
- 9/16 to 9/18 Workplace Investigations Training

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**Audit and Investigations**

1. [\*\*Code of Conduct Vital to Protect Corporate Whistleblowers\*\*](#)  
Michael Woodford was appointed the president of Olympus in 2011. Best known for its cameras, Olympus has long dominated the global market for endoscopes, which is a highly profitable niche market in the medical devices industry. Soon after taking over the reins he uncovered massive fraud, whereby the company had buried heavy investment losses from the late 1980s. But rather than give him a clean hand to sort out the mess, the board closed ranks and pushed him out.

2. [Employees Prefer Helpline or In-person Reports of Suspected Wrongdoing Over Whistleblower Route](#)  
Businesses appear to be reaping the benefits for encouraging their employees to report wrongdoing, according to Helpline Calls and Incident Reports, a recent survey conducted by the Society of Corporate Compliance and Ethics (SCCE) and the Health Care Compliance Association (HCCA). In fact, the survey conducted in April 2014, reveals that employees are now more likely to come forward and raise concerns both through help lines and directly to management or compliance officers. In addition, fears over a rise in whistleblower claims were not realized with just 6 percent of survey respondents reporting an increase in claims.
3. [SamTrans Faces 'Forensic Audit' as Part of Fraud Investigation](#)  
For months, the Investigative Unit has been following the money at SamTrans, the transit district that runs Caltrain and SamTrans buses. As more insiders speak out, so does the tally of money – now topping \$2.5M in questionable payments. District attorney Steve Wagstaffe confirms his office has hired an independent forensic audit firm to investigate fraud allegations raised by whistleblowers in our (NBC Investigative) reports.
4. [Investigation Proves Whistleblower Claims that VA Neglected Some Suicidal Veterans](#)  
The Department of Veterans Affairs has substantiated some of the allegations made last year by a former epidemiologist who claimed that the agency neglected assisting suicidal veterans and was slow to release important research data.
5. [Feds: U-M, MSU Among 55 Schools Facing Sex Assault Investigation](#)  
Fifty-five colleges and universities — big and small, public and private — are being investigated over their handling of sexual abuse complaints, the Education Department revealed Thursday.

## Export Control

1. [APEC Business Travel Card](#)  
Fast and efficient travel for business people within the APEC region contributes to APEC's goal of free and open trade and investment. To this end APEC has created an APEC Business Travel Card (ABTC). The ABTC allows business travelers pre-cleared, facilitated short-term entry to participating member economies.
2. [Revisions to the Export Administration Regulations \(EAR\): Control of Spacecraft Systems and Related Items the President Determines No Longer Warrant Control under the United States Munitions List \(USML\); Final Rule](#)  
This interim final rule adds controls to the Export Administration Regulations (EAR) for spacecraft and related items that the President has determined no longer warrant control under United States Munitions List (USML) Category XV--spacecraft and related items.

## General Compliance

1. [Eleventh Circuit Endorses Broad Definition of 'Foreign Official' under the FCPA](#)

On May 16, 2014, the Eleventh Circuit became the first federal appeals court to define "instrumentality" as it is used in the Foreign Corrupt Practices Act's (FCPA) definition of "foreign official." In upholding the convictions of two individuals, the Eleventh Circuit held that any entity can qualify as an "instrumentality" of a foreign government – making its employees "foreign officials" to whom the Act prohibits payments – so long as the entity is (1) "controlled by the government of a foreign country" and (2) "performs a function the controlling government treats as its own." For more information please [click](#).

## Health Science Compliance

1. [Data Breach Results in \\$4.8 Million HIPAA Settlements](#)

Two health care organizations have agreed to settle charges that they potentially violated the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy and Security Rules by failing to secure thousands of patients' electronic protected health information (ePHI) held on their network. The monetary payments of \$4,800,000 represent the largest HIPAA settlement to date.

2. [Important Announcement: Physician and Teaching Hospital CMS Registration Begins June 1](#)

As part of Open Payments, physicians and teaching hospitals should register with CMS to review information about payments or other transfers of value given to them by the industry prior to public posting of the data. Physicians and teaching hospitals that choose to participate will need to register initially in CMS' Enterprise Portal (the gateway to CMS' Enterprise Management system) in order to access and review the information submitted about them by the industry. As a part of this overall process, registered users will be able to dispute information with industry that they believe to be inaccurate or incomplete.

3. [CMS Seeks Additional Comments on Sunshine Rule Dispute Resolution and Correction Procedures](#)

CMS is seeking additional comments on dispute resolution and correction procedures under the Sunshine Rule. According to the notice issued by CMS, comments must be received by June 2, 2014.

## Human Resources Compliance

1. [Proposed Rule Clarifies Worker Eligibility in the Insurance Marketplace in Lieu of COBRA](#)  
The Obama administration announced on May 2 updates to model notices informing workers of their eligibility to continue health care coverage through the Consolidated Omnibus Budget Reconciliation Act (COBRA). The proposed updates make it clear to workers that if they are eligible for COBRA continuation coverage when leaving a job, they may choose to instead purchase coverage through the health insurance marketplace.

## Research Compliance

1. [Lawmakers Join All-Out Push to Combat Medicare Fraud](#)  
As law enforcement announced a nationwide sting against Medicare fraudsters today, a bipartisan group of lawmakers in Washington was putting the finishing touches on legislation aimed at making a significant dent in the problem.
2. [Statement by the NIH Director on the IOM Report Addressing the Role of the Recombinant DNA Advisory Committee in Oversight of Clinical Gene Transfer Protocols](#)  
Forty years ago, NIH Director Robert S. Stone, M.D., established the Recombinant DNA Advisory Committee (RAC) to bolster oversight of the use of a new technology called recombinant DNA in research. As the science evolved, so too did the role of the RAC which began considering gene transfer experiments in humans in the late 1980s. This research involves the transfer of genetic material into humans with the goal of replacing or compensating for the function of abnormal genes, or to enhance the immune system's ability to attack cancer cells. At the time, there was limited scientific understanding of this technology and its safety in humans, as well as increasing public concern about the science of genetics. Today, we have the benefit of decades of experience in this area of research, and many of the concerns and uncertainties have been replaced by greater scientific clarity.

## Policy

1. [Court Backs Michigan on Affirmative Action](#)  
In a fractured decision that revealed deep divisions over what role the judiciary should play in protecting racial and ethnic minorities, the Supreme Court on Tuesday upheld a Michigan constitutional amendment that bans affirmative action in admissions to the state's public universities. To read the UC amicus brief in support of the respondents please click [here](#).

## Privacy

1. [Big Questions Now that Europeans Can Edit Google Search Results](#)

“In case you missed it, Europe's highest court has set a new precedent: Individuals in 28 European countries can now request the removal of search results they consider harmful. Is this ruling a big win for the individual? Or does this break the Internet?”

2. [Snapchat Settles FTC Charges That Promises of Disappearing Messages Were False](#)

“Snapchat, the developer of a popular mobile messaging app, has agreed to settle Federal Trade Commission charges that it deceived consumers with promises about the disappearing nature of messages sent through the service. The FTC case also alleged that the company deceived consumers over the amount of personal data it collected and the security measures taken to protect that data from misuse and unauthorized disclosure. In fact, the case alleges, Snapchat’s failure to secure its Find Friends feature resulted in a security breach that enabled attackers to compile a database of 4.6 million Snapchat usernames and phone numbers.”

3. [Hackers Ramp Up Computer Attacks that Demand 'Ransom'](#)

Hackers operating on the Internet's "Dark Web" are spreading a new, more sophisticated generation of the malicious software known as "ransomware," anonymously shaking down anyone with an unprotected computer, from lawyers and cops to small businesses. Where small groups of anonymous hackers once hit individual consumers, the hackers have now organized into crime syndicates that boldly launch massive attacks against entire companies, computer experts and law enforcement authorities said.