

The Motherlode - Down a dark hole in the US Attorney purge scandal [Printer-friendly format](#) [Email this thread to a friend](#) [Bookmark this thread](#)**This topic is archived.**[First thread](#) | [Last thread](#)[Home](#) » [Discuss](#) » [General Discussion](#)[DONATE](#)Work. Stressful, tiring...
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Exclusive article by:

Economist Intelligence Unit
Commissioned by Philips**PHILIPS****Oilwellian** ☆ (1000+ posts)

Thu Apr-26-07 07:49 AM

[Original message](#)**The Motherlode - Down a dark hole in the US Attorney purge scandal**

LittleThoms Blog has put it together:

In 2000 Samuel Lipari of Kansas City, Missouri started the company Medical Supply Chain. It's purpose: to allow hospitals to buy supplies directly from manufacturers, thereby bypassing the huge health care Group Purchasing Organizations (GPO's), primarily Novation and Neoforma, and saving health care consumers, by his estimate, \$80 billion a year.

In 2002 Lipari tried to get things going.
But:

Samuel Lipari, CEO of the Missouri firm, said that his company's troubles began in 2002. Lipari sought funding from US Bank to start MSC. The loan, which seemed like a sure thing, was denied. US Bank cited a money laundering provision of the USA PATRIOT Act as the reason, telling Lipari that his company "could not really give all the correct answers on the source and flow of money" for Medical Supply Chain. Lipari and his attorney, Bret Landrith, argued that the PATRIOT Act seemed irrelevant to a company in good standing with the state of Missouri and clearly traceable funds from U.S. citizens seeking a bank loan.

- Why did that happen?

But as they looked into the problem, Landrith and Lipari said they noticed that US Bank had a business relationship with Piper Jaffray, which in turn had a relationship with Novation and Neoforma. The only explanation for denying funding to MSC, which claims that it could save hospitals \$80 billion, was that Piper Jaffray, US Bank, and Novation conspired to keep MSC out of the marketplace.

- Lipari filed suit against USBank, Piper Jaffray, and Novation (based in Irving, Texas) in October, 2002 (date based on article at .
- In August of 2004 the Justice Department in Dallas began an investigation into Novation. (Separate NYTimes article - pdf.)

Taking enough breaks?
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An article by:

Harvard Business Review
Brought to you by Philips**PHILIPS**

An independent study by Harvard Law School Prof. Einer Elhauge brought together all the arguments against GPOs. He said that contracts requiring hospitals to purchase 90 percent or more of their supplies from large vendors exclude rivals and harm consumers and hospitals to the tune of \$6 billion a year. The loyalty rebates, he said, act as penalties for hospitals that stray from the GPO. Beyond that, Elhauge concluded, the GPO process also stifles the development of even more innovative products.

The Justice Department is taking Novation's role in the market seriously. In August of last year, shortly before the Senate subcommittee held hearings on tighter regulation for GPOs, federal prosecutors in Dallas opened a criminal investigation into the medical supply industry, with Novation at the center of it.

- Shortly before, and then shortly after the investigation was launched, two prosecutors at the Dallas (Ft. Worth?) Attorney's office died unexpectedly:

The investigation wasn't helped when two federal prosecutors involved in the case died weeks apart from each other. Thelma Colbert, who headed a civil litigation unit of the Fort Worth DOJ office that prosecuted companies involved in defrauding government-funded programs, drowned in her swimming pool in July 2004. The Tarrant County medical examiner's office determined the death was accidental. Then, on Sept. 13, 2004, Shannon Ross, the criminal chief for the U.S. Attorney's office in Dallas, who reportedly had signed the GPO subpoenas, was found dead in her Rowlett home. In that case, the Dallas County medical examiner ruled the death to have been from natural causes.

<http://littlethomsonblog.blogspot.com/2007/04/medicare-fr...>

(Sublinks included in blog entry)

(I will interject here, the two assistant US attorneys who died, and the 3 others who left, all happened within a 3 month period.)

More background info:

Here's a story from March, 2005, entitled Misuse of USA Patriot Act Leads to Exposure of Medicare/Medicaid Fraud Scheme Costing Taxpayers Tens of Billions of Dollars.

The Patriot Act raises its ugly head again. Thinking quickly: The article seems to be saying - it's not completely drawn out - that the Patriot Act was used to protect gigantic - really gigantic - health care Group Purchasing Organizations (GPO's) from competition. GPOs are the businesses that supply hospitals with the stuff hospitals need to operate:

Medical Supply Chain's successful entry into

the market for medical supplies would have surely led to lower cost for medical supplies and equipment and curtailed the profits coming from the sector and therefore the earnings generated by investment firm Piper Jaffray (NYSE: PJC), who at one time had seventy percent of its investments in health care supply stocks. To prevent this from happening, U.S Bancorp (NYSE: USB) and Piper Jaffray apparently believed they had no choice other than their malicious use of the USA Patriot Act to destroy Medical Supply Chain's ability to raise capital and launch its enterprise.

Think of it:

- Patriot Act provision protects monopolizing practices of these GPOs
- Patriot Act provision allows the President to appoint USAt.s without congressional approval
- President uses the provision to replace USAt.s who are going after the Patriot Act-protected GPOs

These are some huge charges. I have no idea who Samuel Lipari, the guy putting this story out, is and I have no idea if this has been looked into and it's been figured out that the guy is nuts. For now, I'm going to keep digging.

UPDATE: More details (cached) about how the Patriot Act was allegedly used to stop funding for what sounds like a pretty amazing idea.

Lipari believes his company can save hospitals more than \$20 billion a year, compared to existing suppliers, who he alleges are operating as a monopoly to drive up prices. Most hospitals around the nation are supplied by Group Purchasing Organizations, or GPOs.

A GPO acts as a middleman. Lipari's product eliminates them and creates an Internet market instead. This allows the free market to determine prices.

Lipari went to US Bank for funding to launch his business and delivered his business plan under terms of confidentiality. He negotiated a specific price for the escrow accounts with representatives of US Bank, who told him the line of credit should be a "slam dunk." At the last minute, the bank denied the accounts and cited the USA Patriot Act as the reason.

Lipari believes this explanation was a sham and the denial was actually due to US Bank's relation with Piper Jaffray, which has heavy investments in health care industries that Medical Supply Chain's product would threaten. These investments include a GPO called Novation.

<http://littlethomsblog.blogspot.com/2007/04/medicare-fr...>

(Sublinks included in blog entry)

And finally:

Kansas City, MO 04/09/07 - Medical Supply Chain founder Samuel Lipari unearthed a US Department of Justice memo revealing the Office of the Attorney General had targeted not eight but ten US Attorneys including the former attorney for the Western District of Missouri, Todd P. Graves. The documents were obtained during Medical Supply Chain's discovery related to the civil antitrust action Medical Supply Chain, Inc. v. Novation LLC, et al, Western District of Missouri case #05-210-CV-W-ODS filed on March 9, 2005.

The e-mail dated January 9th, 2006 from Kyle Sampson, chief of staff for Attorney General Alberto Gonzales, to Harriet Miers and William Kelley at the White House, shows the ten U.S. Attorneys that were first selected to voluntarily resign or face termination. Attorneys that resigned were redacted. Todd P. Graves of Missouri resigned March 24, 2006.

Todd Peterson Graves was, according to the link, working on Lipari's antitrust suit:

The Western District of Missouri US Attorney office under Todd P. Graves had been active in prosecuting Medicare fraud. Medical Supply Chain, Inc.'s civil antitrust suit against Texas based Novation LLC, Volunteer Hospital Association (VHA), University Health System Consortium (UHC) and Neoforma, Inc. alleges the companies formed a cartel and were involved in a scheme to monopolize hospital supplies to defraud Medicare through payments to administrators and kickbacks.

He was replaced by Bradley J. Schlozman. Get this: He worked in the Justice Department - and was one of the primary guys who helped get approval for Tom DeLay's controversial Texas redistricting plan. In other words, a true Bush supporter. Schlozman not only didn't prosecute Medical Supply Chain's case, according to Lipari he helped get Lipari's lawyer disbarred:

Attorney General Alberto Gonzales used a little known provision of the USA PATRIOT Act to replace Todd P. Graves with Bradley Schlozman. Bradley Schlozman failed to prosecute public corruption related to the Medical Supply Chain litigation and failed to enforce civil rights laws related to the Novation LLC defendants success in getting Medical Supply Chain's counsel Bret D. Landrith disbarred. Samuel Lipari raised these concerns before the US Court of Appeals for the Eight Circuit. On January 16, 2007 Attorney General Gonzales tried to quell criticism of the mass US Attorney firings and the misuse of the USA PATRIOT Act by announcing John Wood would be taking Schlozman's place in Kansas City.

John Wood:

John Wood, U.S. attorney in Kansas City, who's the husband of Assistant Secretary of Homeland Security Julie Myers and an ex-

deputy general counsel of the White House Office of Management and Budget.

So Kyle Sampson puts Todd Graves on the list of U.S. Attorneys to be fired. The new guy comes in and Lipari's case gets damaged, if not killed. Obviously there have been other reasons put forward for the firings of the USAt.s - but was one missed is the question. Today's article says Carol Lam was working on similar investigations when she was sacked. Were any of the others?

And why was Schlozman replaced? He's the only one I've heard about that has been since the scandal went public. He's the one in Lipari's own district...

And this is hard to understand: Today, April 9, 2007, USBank lost an attempt to get the case dismissed. They lost a dismissal of the \$450 million lost suit. Put it into Google news - and it gets sthree - 3 - returns. Is it just me or does that seem like pretty big news?

<http://littlethomsblog.blogspot.com/2007/04/medicare-fr...>
(Sublinks included)

(I have to leave soon but will pose this question: Why didn't the Senate Judiciary Committee ask Gonzales under oath, WHAT the US Attorneys were investigating before they were fired, or in this particular case, included the death of 2 assistant US Attorneys? WHY didn't they bring up the fact that the entire fraud division of the US Attorney's office in Dallas/FtWorth was wiped out?)

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Replies to this thread				
Scuzzbucket republicons -- lacking in all ethics and honor	SpiralHawk	Apr-26-07 08:10 AM	#1	
I think a lot more slime will come out on this. It may be the straw!	izzie	Apr-26-07 08:11 AM	#2	
The Psychopath Party Strikes again! (n/t)	Triana	Apr-26-07 08:32 AM	#3	
Thanks for your work on this, George Oilwellian	pberq	Apr-26-07 09:10 AM	#4	
Maybe we should investigate how many federal prosecutors have DIED during Bush Inc. nt	cyberpj	Apr-26-07 09:12 AM	#5	
Jonathan Luna and Thomas Wales still unsolved, I think.	aquart	Apr-28-07 02:15 PM	#120	
This is a line of questioning Monica Goodlin can shine light on with her new immunity....	Blackhatjack	Apr-26-07 09:27 AM	#6	
A kick to the top	spinbaby	Apr-26-07 10:30 AM	#7	
That's just too damned convenient for the Justice Dept. not to have had a hand in it.	loundsue	Apr-26-07 10:44 AM	#8	
Excellent OP!	Spazito	Apr-26-07 11:43 AM	#9	
Some more late night reading for me....	progressoid	Apr-26-07 01:28 PM	#10	
Thanks for the hard work . Great name too! K&R	happydreams	Apr-26-07 01:54 PM	#11	
Incredible - Just when you think you can't be shocked any more	Mind_your_head	Apr-26-07 02:01 PM	#12	
Here's a link	Mme. Defarge	Apr-26-07 02:12 PM	#13	
Beautiful link Mme. Defarge -- bless you! N/T	AikidoSoul	Apr-26-07 07:35 PM	#26	
GE? Take a look. "The General Electric Company (NYSE:GE) is defending its relationship	higher class	Apr-26-07 11:24 PM	#54	
Jesus, did you read the letter to McCaskill?	George Oilwellian	Apr-26-07 10:07 PM	#37	
Here's the letter to Sen Claire McCaskill with the link	AikidoSoul	Apr-27-07 09:41 PM	#95	
HOLY \$H*&!!!!!!!!!!!!!!!!!!!!	Tatiana	Apr-28-07 04:26 PM	#134	
SHIT! 2 Fed Prosceutors in case die weeks apart?	mod mom	Apr-26-07 02:27 PM	#14	
And on top of the two dead attorneys....	George Oilwellian	Apr-26-07 03:14 PM	#16	
Sounds like CIA style killings nt	conspirator	Apr-28-07 05:53 PM	#140	
Great post! K & R. In answer to your final question though	riderinthestorm	Apr-26-07 02:39 PM	#15	
Lam was investigating Medicare fraud as well	George Oilwellian	Apr-26-07 03:31 PM	#18	
Thelma Quince-Colbert's "job was to pursue persons who had defrauded the government"	AikidoSoul	Apr-26-07 09:08 PM	#30	
.	Mind_your_head	Apr-26-07 10:03 PM	#36	
Fascinating....thanks for posting this.....n/t	KoKo01	Apr-27-07 11:09 AM	#75	





His training sessions may have been hypnosis sessions. Just a joke.	higher class	Apr-26-07 08:50 PM	#28
And This Is Just What Has Been Uncovered. Think hard about what hasn't been discovered.	BushDespiser12	Apr-26-07 03:23 PM	#17
Shannon Ross, 43 died in her sleep-reportedly had signed the subpoenas	AikidoSoul	Apr-26-07 09:50 PM	#34
Excellent corroboration!	Mme. Defarge	Apr-27-07 12:37 AM	#65
Natural causes?	thesquanderer	Apr-27-07 04:14 PM	#83
Especially after an "accidental" drowning of another player. My alarms went off too. NT	MADem	Apr-28-07 01:36 PM	#110
The kick back scheme	MSC2007	Apr-29-07 04:03 PM	#155
It's past time for a good TRUST-BUSTER in the White House.	annabanana	Apr-26-07 03:35 PM	#19
Wonder what the statistical odds are on this	LibertyorDeath	Apr-26-07 03:43 PM	#20
Kicked and recommended	Uncle Joe	Apr-26-07 04:03 PM	#21
One year ago, I might have doubted this stuff...here's the picture I have now	The Count	Apr-26-07 04:18 PM	#22
K & R - It's still sinking in for me. But if this story is as outrageous	Raksha	Apr-26-07 05:33 PM	#23
3 more prosecutors left the Dallas DOJ office ...	Straight Shooter	Apr-26-07 06:38 PM	#24
That IS an extremely interesting article. Very illuminating --digs into the huge amount of money	AikidoSoul	Apr-26-07 11:35 PM	#56
the CEO of Novation retired after 18 years in 2006	leftchick	Apr-27-07 01:31 PM	#79
Wow!! I hope somebody keeps on top of this one. It looks like it may have	AikidoSoul	Apr-26-07 07:29 PM	#25
Get this: DoJ released NO obituaries, no press releases - about Thelma-Quince Colbert's death	AikidoSoul	Apr-26-07 08:19 PM	#27
Excellent find Aikido	George Oilwellian	Apr-26-07 09:59 PM	#35
Kick	Mme. Defarge	Apr-26-07 08:57 PM	#29
K&R. Justice for Sale!	autorank	Apr-26-07 09:15 PM	#31
Crooks always look for the perfect crime.	Octafish	Apr-26-07 09:23 PM	#32
More on Piper Jaffray	George Oilwellian	Apr-26-07 09:41 PM	#33
I rearranged the data for my understanding - any flaws or fill-ins?	higher class	Apr-26-07 10:09 PM	#38
Thelma Colert died on 07/20/04.	AikidoSoul	Apr-26-07 10:19 PM	#41
Pretty good timeline...here are some more dates	George Oilwellian	Apr-26-07 10:24 PM	#42
Here's a link to the NYT article mentioned in my above post	George Oilwellian	Apr-26-07 10:59 PM	#47
Aikido, George, Mom - I entered data. tks.	higher class	Apr-26-07 11:04 PM	#50
Timeline Order	bjobotts	Apr-26-07 11:04 PM	#49
Yeah! And the men got fired and the women died.	higher class	Apr-26-07 11:06 PM	#51
Were the two women SINGLE? That would be important to know...	KoKo01	Apr-27-07 12:46 PM	#77
Don't forget that Gonzales used to be a partner with the law firm that represents Novation!!!!	AikidoSoul	Apr-27-07 10:27 PM	#98
New timeline (editing time ran out) Added FBI surveillance items	higher class	Apr-27-07 12:01 AM	#61
READ THIS from Kos on US Attorney Graves:	mod mom	Apr-26-07 10:10 PM	#39
Excellent find	George Oilwellian	Apr-26-07 10:26 PM	#43
Hell, we're just hungry for some TRUTH!	fooj	Apr-28-07 01:46 PM	#114
Good link. Looks like a payoff to me. The Missouri citizen group makes it clear	AikidoSoul	Apr-26-07 10:57 PM	#46
\$80 billion a year to kill for.	bjobotts	Apr-26-07 10:13 PM	#40
Here's his slimy mug	George Oilwellian	Apr-27-07 12:06 AM	#63
Eeww	undergroundpanther	Apr-27-07 01:32 AM	#69
What the hell is that on his face?	Sydney	Apr-28-07 11:15 PM	#146
Thank you Mr. Oilwellian, I'll walk print and CD .copies of this over to Di Feinstein's	diane in sf	Apr-26-07 10:32 PM	#44
Thanks diane	George Oilwellian	Apr-26-07 11:03 PM	#48
The sheer magnitude of Republic	ninkasi	Apr-26-07 10:51 PM	#45
Why was Bud Cummins looking into Blunt? Cummins was Arkansas, but I	mod mom	Apr-26-07 11:07 PM	#52
Did Gonzales use FBI surveillance to help Novation?	Marie26	Apr-26-07 11:20 PM	#53
I read the release also and noticed the coverage by the British press.	Theduckno2	Apr-26-07 11:29 PM	#55
Looks like the NY Times	Marie26	Apr-26-07 11:40 PM	#58
Thanks, off to do some more reading. n/t	Theduckno2	Apr-26-07 11:58 PM	#60
Mme.Defarge posted an excellent link in post 13	George Oilwellian	Apr-26-07 11:37 PM	#57
It would not be the first time that gov sponsored spying helped large corporate friends	AikidoSoul	Apr-26-07 11:48 PM	#59
k/r n/t	upi402	Apr-27-07 12:05 AM	#62
Well, for what it's worth ...	Mme. Defarge	Apr-27-07 12:23 AM	#64
I emailed him as well	George Oilwellian	Apr-27-07 12:47 AM	#66
Besides asking Lipari specific questions, ask a general question	AikidoSoul	Apr-28-07 05:58 PM	#141
Besides asking Lipari specific questions, ask a general question	AikidoSoul	Apr-28-07 05:59 PM	#142
This is rich	George Oilwellian	Apr-27-07 01:27 AM	#67
thanks George O	rumpel	Apr-27-07 01:33 AM	#70
wow. Congress must address this.	rumpel	Apr-27-07 01:27 AM	#68
OMG they are murderers too	lovuian	Apr-27-07 03:02 AM	#71
Everyone needs to see this -- KICK	BushDespiser12	Apr-27-07 03:14 AM	#72
This is all very interesting, but.....	Enthusiast	Apr-27-07 06:09 AM	#73
I am fully aware of the morass we are mired in.	BushDespiser12	Apr-27-07 11:56 AM	#76
Yup.....	Enthusiast	Apr-27-07 02:55 PM	#80
Apparently DU thinks this story is "imaginary" as well	George Oilwellian	Apr-27-07 03:18 PM	#81
Patience, mon ami	Mme. Defarge	Apr-27-07 03:38 PM	#82
Well done!	ReadTomPaine	Apr-27-07 04:49 PM	#85
Great suggestion. I just did that myself to 4 people in IL med circles	riderinthestorm	Apr-27-07 07:41 PM	#86

Merci!	Mme. Defarge	Apr-27-07 08:00 PM	#87
My husband sent it to a friend who is a CEO at a hospital in TX. This is really	mod mom	Apr-27-07 09:34 PM	#93
Kick to the top	Mind_your_head	Apr-27-07 11:00 AM	#74
Thanks and a kick. nt	donkeyotay	Apr-27-07 01:04 PM	#78
For what it's worth ...	Mme. Defarge	Apr-27-07 04:45 PM	#84
For dear God's sake?!!! Why isn't this at the top of FAVORITES!? It has 78 recs!	AikidoSoul	Apr-27-07 09:09 PM	#88
I tried, but it's over 24 hours old....damn system is acting all wonky again	Malikshah	Apr-27-07 09:14 PM	#89
But it was kicked off before the 24 hours was up	AikidoSoul	Apr-27-07 09:25 PM	#90
Good Job-- it's about dissemination and speculation	Malikshah	Apr-27-07 09:57 PM	#96
kick	aquart	Apr-28-07 01:41 PM	#113
You can post a new thread same topic with links.	mod mom	Apr-27-07 09:35 PM	#94
Excellent idea....	Mind_your_head	Apr-28-07 01:29 AM	#100
kick	Swamp Rat	Apr-27-07 09:28 PM	#91
Kick this motherlode!!	AikidoSoul	Apr-27-07 09:31 PM	#92
When Gozales became AG"the investigation of Novation was suppressed"	AikidoSoul	Apr-27-07 10:06 PM	#97
Au Nom de Dieu	Mme. Defarge	Apr-27-07 10:34 PM	#99
Wow. Just wow.	vanlassie	Apr-28-07 02:54 AM	#101
Testimony of Mark McKenna from April 20, 2002	MagickMuffin	Apr-28-07 04:26 AM	#102
here's the link to the Senate's Investigation into GPOs	MagickMuffin	Apr-28-07 08:32 AM	#103
3 Sen. judiciary panel members quietly worked to "avoid increased regulation" of Novation & GE!	AikidoSoul	Apr-28-07 09:45 AM	#104
here's MORE:	MagickMuffin	Apr-28-07 10:20 AM	#106
Why do they call him "honorable" Sen. Shumer?	AikidoSoul	Apr-28-07 10:16 AM	#105
Excellent Post!	MSC2007	Apr-29-07 08:50 PM	#156
Preaching to the choir here ...	Mme. Defarge	Apr-28-07 12:28 PM	#107
I was invited to participate!	MSC2007	Apr-28-07 12:48 PM	#108
welcome to DU, sir....	mike_c	Apr-28-07 01:30 PM	#109
Merci Mille Fois	Mme. Defarge	Apr-28-07 01:39 PM	#111
Thanks!	MSC2007	Apr-28-07 02:41 PM	#125
Sacre bleu!	Mme. Defarge	Apr-28-07 02:51 PM	#127
Just hit the old "reply" at the bottom right of the post you want to respond to	MADem	Apr-28-07 01:40 PM	#112
Welcome! I am in KC and would love to meet you!	proud2Blib	Apr-28-07 01:49 PM	#116
Hello, and welcome. Any relation to Bo Lipari of New York?	GregD	Apr-28-07 01:53 PM	#117
Not That I Know Of	MSC2007	Apr-29-07 09:05 PM	#157
Welcome to DU	MagickMuffin	Apr-28-07 05:39 PM	#139
Todd Graves is Sam Graves' brother	proud2Blib	Apr-28-07 01:46 PM	#115
Todd Graves has not said he was pressured out in 2006	leftchick	Apr-28-07 02:16 PM	#122
K & R this critical topic.	Kutjara	Apr-28-07 01:57 PM	#118
more on the octopus that this uncovers - the Blunts need to be subpoenaed NOW	phoebe	Apr-28-07 02:03 PM	#119
Formidable, Phoebe!	Mme. Defarge	Apr-28-07 02:16 PM	#121
Kickety Kick and I'd Recommend if I Could (But DU Won't Let Me, Says it's Too Old)	AndyTiedye	Apr-28-07 02:35 PM	#124
wow	Kali	Apr-28-07 02:21 PM	#123
PLEASE LOOK INTO TENET HOSPITALS!! SEE THIS..	flyarm	Apr-28-07 02:43 PM	#126
AND SEE HOW THIS HOOKERGATE TIES WITH THE U.S.ATTORNEY PURGE	flyarm	Apr-28-07 02:55 PM	#128
And don't forget Rummy	Mme. Defarge	Apr-28-07 03:07 PM	#129
more on Blunt's pick for Insurance Dept. head ties into price fixing med. insurance/law suits	phoebe	Apr-28-07 03:56 PM	#130
DON'T FORGET G.H.* ON BOARD OF ELI LILLY!! AND KEN LAY ON BOARD AS WELL!!	flyarm	Apr-28-07 04:07 PM	#132
I have a contact at the hospital in Redding	GregD	Apr-28-07 04:42 PM	#138
Wow, a second wind	George Oilwellian	Apr-28-07 04:01 PM	#131
Yet another reason Gonzo needs to be Impeached.	Disturbed	Apr-28-07 04:33 PM	#137
George Oilwellian	MSC2007	Apr-29-07 03:42 PM	#154
Thanks for answering my question	George Oilwellian	Apr-29-07 10:38 PM	#161
Answer:	MSC2007	May-01-07 01:33 PM	#172
Poppy was on the Board of Directors for Eli Lily...	fooj	Apr-28-07 04:17 PM	#133
oh and ASPARTEME never went through testing..before going on market!! eom	flyarm	Apr-28-07 04:28 PM	#136
MSC2007 HEY ..I USED TO LIVE IN LEE'S SUMMIT!!	flyarm	Apr-28-07 04:27 PM	#135
Know the place well.	MSC2007	Apr-29-07 09:19 PM	#158
more to be found here	phoebe	Apr-28-07 10:54 PM	#143
- what Mr. Lipari and the 2 dead attorneys were up against	phoebe	Apr-28-07 11:11 PM	#145
Merde alors!	Mme. Defarge	Apr-29-07 12:35 AM	#148
kick! n/t	wildbilln864	Apr-28-07 11:04 PM	#144
can't rec, will kick ! n/t	junofeb	Apr-29-07 12:28 AM	#147
Kicking	Nite Owl	Apr-29-07 12:22 PM	#149
TPMMuckRaker On Schlozman !!!	WillyT	Apr-29-07 12:37 PM	#150
Mark Crispin Miller explains the US Attorney purge (video)	ramblin_dave	Apr-29-07 01:03 PM	#151
kick	cryingshame	Apr-29-07 02:14 PM	#152
I will begin correcting a few misunderstandings:	MSC2007	Apr-29-07 03:24 PM	#153
Welcome to DU, Mr. L!	Raksha	Apr-29-07 10:21 PM	#160

 Thank you for posting!	DemReadingDU	Apr-30-07 07:08 AM	#163
 Little Thom's blog posts Mr. Lipari's answers to his questions	George Oilwellian	Apr-29-07 10:21 PM	#159
 I have a post up-thread #106 & 139 that has links to GDP	MagickMuffin	Apr-29-07 11:53 PM	#162
 As an aside....	George Oilwellian	Apr-30-07 10:24 AM	#164
 obviously this loophole has been studiously ignored by the politicians	phoebe	Apr-30-07 11:59 AM	#165
 kick	catchnrelease	Apr-30-07 12:48 PM	#166
 more Gonzales corruption - refusing to hear case against Halliburton and bribery	phoebe	Apr-30-07 01:09 PM	#167
 no wonder we have no bid contracts and rampant corruption re:	phoebe	Apr-30-07 04:06 PM	#168
 Kicking with a recommended and related DU Thread	L. Coyote	Apr-30-07 04:27 PM	#169
 Up Date:	MSC2007	May-01-07 10:11 AM	#170
 thank you so much for posting these 2 EXCELLENT articles	phoebe	May-01-07 12:43 PM	#171
 more on Thelma Quince Colbert - dead attorney found in pool	phoebe	May-01-07 02:31 PM	#173
 Lipari is one brave man - harrassment/surveillance/death of his stepmother	phoebe	May-01-07 03:16 PM	#174


SpiralHawk

★ (1000+ posts)

Thu Apr-26-07 08:10 AM
Response to [Original message](#)

1. Scuzzbucket republicons -- lacking in all ethics and honor







Proving it again: republicons have no honor, no ethics, no morality.

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izzie

★ (1000+ posts)

Thu Apr-26-07 08:11 AM
Response to [Original message](#)

2. I think a lot more slime will come out on this. It may be the straw!







We of course know that Bush believes in a laissez faire capitalism and as we have seen the people in the country seem to believe a social-capitalism or what ever it is called. Some control of business by the people who live under it and buy into it. MY who life I have seen this battle go on.Like a wave the control goes back and forth. To far either way and the people get mad and usually do some thing about it. Looks to me that Bush knows this as well as I do so his party are now going to corrupt the playing field. This is one of the reasons to more to wards a one party govt. and just why all those new laws were put into Iraq before the people voted with a tag that they could not change these laws. I am sure that is what some of that fighting is all about in their Congress. Or why these lawyers were fired. Or why they do not follow laws that are already set up in govt. agencies all led by a political person. Makes one think of how Russia did its business with every place having a party person sitting in on all business.

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Triana

★ (1000+ posts)

Thu Apr-26-07 08:32 AM
Response to [Original message](#)

3. The Psychopath Party Strikes again! (n/t)



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pberq

★ (1000+ posts)

Thu Apr-26-07 09:10 AM
Response to [Original message](#)





4. Thanks for your work on this, George Oilwellian



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cyberpj

★ (1000+ posts)

Thu Apr-26-07 09:12 AM
Response to [Original message](#)

5. Maybe we should investigate how many federal prosecutors have DIED during Bush Inc. nt



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aquart




★ (1000+ posts)

Sat Apr-28-07 02:15 PM
Response to [Reply #5](#)

120. Jonathan Luna and Thomas Wales still unsolved, I think.

Pennsylvania and Seattle.

[Printer Friendly](#) | [Permalink](#) | | [Top](#)**Blackhatjack** (1000+ posts)   Thu Apr-26-07 09:27 AM
Response to [Original message](#)**6. This is a line of questioning Monica Goodlin can shine light on with her new immunity....**




And I am sure the fact that two(2) assistant US Attorneys turned up dead under suspicious circumstances is not lost upon her.

Monica finds herself in a very precarious position --what she knows is a threat to those who directed her, and yet the only protection she can garner is to get 'her story out' publicly so that any accident that might happen to her would be heavily scrutinized.

Sometimes the best defense is to make everything public, so that eliminating her would not prevent further disclosures.

[Printer Friendly](#) | [Permalink](#) | | [Top](#)**spinbaby** ☆ (1000+ posts)   Thu Apr-26-07 10:30 AM
Response to [Original message](#)**7. A kick to the top**

For a very important story

[Printer Friendly](#) | [Permalink](#) | | [Top](#)**loudsue** ☆ (1000+ posts)   Thu Apr-26-07 10:44 AM
Response to [Original message](#)**8. That's just too damned convenient for the Justice Dept. not to have had a hand in it.**

Edited on Thu Apr-26-07 10:46 AM by loudsue

If all of this is true, then Waxman, Conyers, Leahy, Schumer, the whole group needs to start going on news talk shows and talking about this mess. The word isn't getting out about WHY all of this is so important to our Democracy.
















On edit: Kicked, bookmarked & recommended! Keith Olberman, Bill Maher & Jon Stewart need to get this information, too.

[Printer Friendly](#) | [Permalink](#) | | [Top](#)**Spazito** ☆ (1000+ posts)   Thu Apr-26-07 11:43 AM
Response to [Original message](#)**9. Excellent OP!**










Thanks for all your work on putting this together, it is much appreciated.

Recommended.

[Printer Friendly](#) | [Permalink](#) | | [Top](#)**progressoid** ☆ (1000+ posts)   Thu Apr-26-07 01:28 PM
Response to [Original message](#)**10. Some more late night reading for me....**[Printer Friendly](#) | [Permalink](#) | | [Top](#)

happydreams (1000+ posts)     Thu Apr-26-07 01:54 PM
Response to [Original message](#)**11. Thanks for the hard work . Great name too! K&R**[Printer Friendly](#) | [Permalink](#) | | [Top](#)Mind_your_head ☆ (1000+ posts)     Thu Apr-26-07 02:01 PM
Response to [Original message](#)**12. Incredible - Just when you think you can't be shocked any more**

you read something like this that makes your jaw drop to the floor. I literally gasped several times while reading this. Thanks for posting and a K & R.

[Printer Friendly](#) | [Permalink](#) | | [Top](#)Mme. Defarge (1000+ posts)     Thu Apr-26-07 02:12 PM
Response to [Original message](#)**13. Here's a link**<http://www.medicalsupplychain.com/news.htm>[Printer Friendly](#) | [Permalink](#) | | [Top](#)AikidoSoul (1000+ posts)     Thu Apr-26-07 07:35 PM
Response to [Reply #13](#)**26. Beautiful link Mme. Defarge -- bless you! N/T**[Printer Friendly](#) | [Permalink](#) | | [Top](#)peacetalksforall ☆ (1000+ posts)     Thu Apr-26-07 11:24 PM
Response to [Reply #26](#)**54. GE? Take a look. "The General Electric Company (NYSE:GE) is defending its relationship**

ith Novation, Inc. in a cartel to exclude Medical Supply Chain, Inc. "

I Voted

From this link:

<http://www.prweb.com/releases/2004/8/prweb152343.htm>

Three paragraphs:

KANSAS CITY, MO (PRWEB) August 26, 2004 -- In final briefs submitted to the Tenth Circuit Court of Appeals last Friday, The General Electric Company (NYSE:GE) is defending its relationship with Novation, Inc. in a cartel to exclude Medical Supply Chain, Inc. from entering the \$1.3 Trillion dollar hospital supply industry which is in a desperate need to lower costs. On August 21st, the day following the final brief, the New York Times revealed that the US Department of Justice (DOJ) had issued criminal subpoenas in a broad inquiry into hospital supply purchases. The companies named in the NY Times article to receive a criminal subpoena with GE are Merck (NYSE:MRK), Bristol-Myers Squibb (NYSE:BMJ), Becton Dickinson (NYSE:BDX), Cardinal Health (NYSE:CAH) and Genentech (NYSE:GNA); the G.E. Healthcare medical equipment unit of General Electric, all of which are members of the cartel Global Healthcare Exchange (GHX) founded by GE's CEO Jeffery Immelt and alleged by Medical Supply Chain, Inc. to have been formed for the purpose of artificially inflating hospital supply costs.


Medical Supply Chain, Inc.'s case against Novation's investment banking partner, US Bancorp/Piper Jaffray (NYSE:USB)(NYSE:JFC) for participating in the hospital supply cost inflation scheme through antitrust prohibited practices involving Neoforma (NYSE:NEOF), Novation's e-commerce subsidiary is also being heard by the same court and Medical Supply Chain, Inc.'s president Samuel Lipari expects a decision on his three year battle to reform healthcare purchasing from the Denver court before the antitrust subcommittee of the US Senate meets again to consider new regulations to protect Medicare and Medicaid funded hospital supply purchasing.

About Medical Supply Chain

Medical Supply Chain, Inc. (MSCI) is a Health System service center providing supply chain resources and technology to the health system (hospital) and their trading partners. MSCI supports and complements the work and goals of the supply chain professional in their pursuit to strategically direct supply-chain activities and relationships. When this occurs real supply-chain value will find its way into healthcare and only then will the layers of cost and

inefficiencies be removed. MSCI transforms health systems with empowerment to control their own supply chain costs.

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Oilwellian ☆ (1000+ posts) 

Thu Apr-26-07 10:07 PM

Response to [Reply #13](#)

37. Jesus, did you read the letter to McCaskill?



Lipari sent it to her less than a month ago:
(I don't know how to copy and paste pdfs)
<http://www.medicalsupplychain.com/pdf%5CMcCaskill.pdf>

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AikidoSoul (1000+ posts) 

Fri Apr-27-07 09:41 PM

Response to [Reply #37](#)

95. Here's the letter to Sen Claire McCaskill with the link



Edited on Fri Apr-27-07 09:42 PM by AikidoSoul
<http://www.medicalsupplychain.com/pdf%5CMcCaskill.pdf>

March 26, 2007

Hon. Senator Claire McCaskill
Whittaker Federal Office Building
400 East 9th Street
Suite 40 Plaza Level
Kansas City, MO 64106
816-421-1639
Fax 816-421-2562

Dear Senator McCaskill,

I am writing to your constituent services office about my problem being denied entry into the market for hospital supplies by Novation, LLC a hospital group purchasing organization. I developed an electronic marketplace that supplies hospitals that includes an automated bid fulfillment process that saves over 40% of the 1.8 trillion dollars hospitals annually spend on hospital supplies. However, I have discovered that hospitals have all signed long term anticompetitive contracts with Novation, LLC or Premier that include kickbacks to hospital administrators in excess of that permitted for hospital group purchasing organizations under the Medicare Anti-Kickback Act, 42 U.S.C. § 1320a-7b(b).

When I tried to enter the market for hospital supplies in 2002, Novation LLC and other members of the hospital supply cartel caused me to be deprived of critical inputs to obstruct and prevent me from competing to lower hospital supply prices. Since the Bush administration was not enforcing 42 U.S.C. § 1320a-7b(b) or the Sherman Antitrust Act, I attempted to obtain a civil injunction with the aid of a private attorney, Bret D. Landrith.

When our complaint clearly stated antitrust claims against the cartel coconspirators, the opposing counsel caused my attorney to be repeatedly prosecuted on pretextual ethics violations in Kansas over his unrelated civil rights representation of the African American James Bolden. Fearing the loss of the only attorney I could get to help me, I helped Bret Landrith defend against the ethics prosecution and personally witnessed the presentation of false testimony that contradicted the court records. After Landrith was disbarred for representing Bolden and Bolden's American Indian witness, The Tenth Circuit reversed the US District Court for the District of Kansas' dismissal of Bolden's case.

The U.S. Justice department has been reported by the New York Times and the London Times to be investigating Novation LLC for its anticompetitive practices in the market for hospital supplies. The Assistant U.S. Attorney in Ft. Worth Texas who signed the subpoenas against Novation LLC passed away as did the Ft. Worth office's Assistant Attorney in charge of Medicare Fraud two months earlier. The U.S. Attorney General Alberto R. Gonzales immediately fired three more Assistant U.S. Attorneys with extensive experience in prosecuting white collar crime that worked in the Ft. Worth, Texas U.S. Attorney Office which started the investigation of Novation, LLC. The U.S.

Attorney General Alberto R. Gonzales while in private practice was a partner with the law firm of Vinson & Elkins L.L.P. that represents Novation, LLC in my complaint and other hospital supply antitrust litigation.

I filed a criminal complaint against Magistrate James P. O'Hara of the Kansas District Court who was himself a managing partner of the law firm Shughart Thomson & Kilroy defending a cartel member in my antitrust complaint for obstructing justice in my civil litigation with the Kansas City, Missouri office of the F.B.I. in January 2006. I never

received a reply or acknowledgement of the complaint. Instead I appear to have been targeted by that office with warrantless searches and monitoring of my telephone and Internet communications even to the point of having my business interrupted.

I know it is in the national interest to not have Medicare and Medicaid overcharged for hospital supplies. Would your office help me obtain the records the F.B.I. office created on me and my company Medical Supply Chain, Inc. from 2001 to the present and advise me on how I might get help entering the market for hospital supplies in Medicare funded healthcare systems without suffering violence and tortuous interference with my contracts at the hands of the Novation LLC monopoly?

Thank you in advance for your cooperation.

Sincerely,

Samuel Lipari

Medical Supply Chain
297 NE Bayview
Lee's Summit, Mo 64064
816-365-1306

www.MedicalSupplyChain.com/News.htm

edit to correct spacing

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Tatiana ☆ (1000+ posts) 

Sat Apr-28-07 04:26 PM
Response to [Reply #95](#)


134. HOLY \$H*&!!!!!!!!!!!!!!



Wow! I think we've got another possible patriot in Samuel Lipari. This is a perfect example of how the American citizen has to turn to civil litigation when the government fails to investigate and/or prosecute valid instances of abuse and criminal behavior.

Talk about deep and long tentacles. I don't think we've seen rampant corruption on this level at any other time period in our nation's history. We need a Spitzer or Fitzgerald as Attorney General; someone who will really sink their teeth into these cases.

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mod mom ☆ (1000+ posts) 


Thu Apr-26-07 02:27 PM
Response to [Original message](#)

14. SHIT! 2 Fed Prosceutors in case die weeks apart?



The investigation wasn't helped when two federal prosecutors involved in the case died weeks apart from each other. Thelma Colbert, who headed a civil litigation unit of the Fort Worth DOJ office that prosecuted companies involved in defrauding government-funded programs, drowned in her swimming pool in July 2004. The Tarrant County medical examiner's office determined the death was accidental. Then, on Sept. 13, 2004, Shannon Ross, the criminal chief for the U.S. Attorney's office in Dallas, who reportedly had signed the GPO subpoenas, was found dead in her Rowlett home. In that case, the Dallas County medical examiner ruled the death to have been from natural causes.

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Oilwellian ☆ (1000+ posts) 

Thu Apr-26-07 03:14 PM
Response to [Reply #14](#)


16. And on top of the two dead attorneys....



Three more were canned shortly afterward. I think the entire fraud unit was gutted within 3 months.

I find it astounding the Senate Intel Committee didn't bring this up while Gonzales was testifying. WHY???? According to Sam Lipari, his business could have saved the government \$80 BILLION a year. That's an astounding number to piss away.





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conspirator (1000+ posts) 

Sat Apr-28-07 05:53 PM
Response to [Reply #14](#)

140. Sounds like CIA style killings nt

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riderinthestorm ☆ (1000+ posts)    

Thu Apr-26-07 02:39 PM
Response to [Original message](#)





15. Great post! K & R. In answer to your final question though



I am sure Gonzales "memory" (cough) of this affair was thoroughly scrubbed during his training sessions. In fact, imho Gonzales' training sessions were designed to help him to remember to only say he didn't remember over and over and over - THAT was their ultimate goal.

No way would Gonzales have an answer for your post. No fucking way. This is one of those stories they hoped/prayed wouldn't be uncovered. I hope this story goes "big" but even Lam's story hasn't really made it to the big time yet and it's been out there in the blogosphere longer.

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Oilwellian ☆ (1000+ posts)    

Thu Apr-26-07 03:31 PM
Response to [Reply #15](#)

18. Lam was investigating Medicare fraud as well



No wonder health care costs are so outrageous. These criminals are stealing us blind.

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AikidoSoul (1000+ posts)    

Thu Apr-26-07 09:08 PM
Response to [Reply #18](#)

30. Thelma Quince-Colbert's "job was to pursue persons who had defrauded the government"



Edited on Thu Apr-26-07 09:12 PM by AikidoSoul

She seems to have had the respect of her peers as stated here in The Southern University Law Center October 11, 2004 Vol.2, No.27 publication at <http://www.sulc.edu/pdf/enewslyout65.pdf>

part of which is reprinted here:

Alumni Call For Scholarship As Tribute to the Late Thelma Quince-Colbert

She was a 2004 inductee into the Law Center's Alumni Hall of Fame and presented the 1998 Distinguished Alumnus Award. Thelma Quince-Colbert, '75, was the first editor-in-chief of the Southern University Law Review, a summa cum laude law graduate, and first in her class.





As a member of the National Bar Association, Quince-Colbert was a hard worker whose presence at the yearly Southern University Law Center Alumni Breakfast was guaranteed.

As head of the Affirmative Civil Enforcement Unit, a section in the Fort Worth, Texas, office of the United States Attorney, where she worked from 1990 until her death, Quince-Colbert's job was to pursue persons who had defrauded the government. Her passion for her work, never overcame her compassion for people.

Upon learning of her untimely death on July 20, 2004, fellow alumni came to the agreement that a life of such compassion must be remembered. In this regard, a foundation has been set up in Quince-Colbert's honor at her beloved Southern University Law Center.

on edit: sign of my own brain damage from neurotoxic exposures (I'm not kidding) is short term memory loss. I just realized that I already posted this item -- am sorry for the duplicate but since another point was made on the subject line I think I won't attempt to delete this and leave a hole on this thread.

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Mind_your_head ☆ (1000+ posts)    

Thu Apr-26-07 10:03 PM
Response to [Reply #30](#)

36. .



Edited on Thu Apr-26-07 10:07 PM by Mind_your_head

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[Printer Friendly](#) | [Permalink](#) | [Top](#)**thesquanderer** (316 posts) Fri Apr-27-07 04:14 PM
Response to [Reply #34](#)**83. Natural causes?**


Who dies in their sleep from natural causes at 43? You'd think there would be some mention of some kind of condition or something... it seems a strange thing to take at face value.

[Printer Friendly](#) | [Permalink](#) | [Top](#)**MADem** ☆ (1000+ posts) Sat Apr-28-07 01:36 PM
Response to [Reply #83](#)**110. Especially after an "accidental" drowning of another player. My alarms went off too. NT**[Printer Friendly](#) | [Permalink](#) | [Top](#)**MSC2007** (103 posts) Sun Apr-29-07 04:03 PM
Response to [Reply #34](#)**155. The kick back scheme**


Congress approved a 2%-3% admin fee. What the GPO's don't tell you is they created additional special names.

Membership Fees
Patronage Fees
Tracing Fees
Channel Fees


The fees that are charged today end up in the mid teens plus they control prices that are charged for products. This is why all the major manufacturers have ownership rolls in the GPO's.

[Printer Friendly](#) | [Permalink](#) | [Top](#)**annabanana** ☆ (1000+ posts) Thu Apr-26-07 03:35 PM
Response to [Original message](#)**19. It's past time for a good TRUST-BUSTER in the White House.**

Wa-a-a-a-ay past time.

[Printer Friendly](#) | [Permalink](#) | [Top](#)**LibertyorDeath** (1000+ posts) Thu Apr-26-07 03:43 PM
Response to [Original message](#)**20. Wonder what the statistical odds are on this**

"2 Fed Prosecutors in case die weeks apart"




[Printer Friendly](#) | [Permalink](#) | [Top](#)**Uncle Joe** ☆ (1000+ posts) Thu Apr-26-07 04:03 PM
Response to [Original message](#)**21. Kicked and recommended**

Thanks for the thread George Oilwellian.

[Printer Friendly](#) | [Permalink](#) | [Top](#)**The Count** (1000+ posts) Thu Apr-26-07 04:18 PM
Response to [Original message](#)**22. One year ago, I might have doubted this stuff...here's the picture I have now**



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Raksha ☆ (1000+ posts)   




Thu Apr-26-07 05:33 PM
Response to [Original message](#)

23. K & R - It's still sinking in for me. But if this story is as outrageous



as I think it is, the Bushies are toast. Yes, I think this could very well be the last straw.

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Straight Shooter (1000+ posts)   

Thu Apr-26-07 06:38 PM
Response to [Original message](#)

24. 3 more prosecutors left the Dallas DOJ office ...



Edited on Thu Apr-26-07 06:39 PM by Straight Shooter

Uhl, Senerote, and Snipes. They were offered lucrative retirement packages, and two of them are now defense attorneys.

An interesting read (edit to add, this is the article on Uhl, Senerote and Snipes):

www.medicalsupplychain.com/pdf/WRIT%20OF%20MANDAMUS%20E...

Another extremely interesting article, from November 2005 Fort Worth Weekly:

<http://www.fwweekly.com/content.asp?article=3419>

A Texas engineer designed a syringe with a needle that automatically retracts after one use, a design that could save so many lives among healthcare workers that a medical workers' union was screaming for it. But the sales teams trying to sell the improved syringes to hospitals were routinely shown the door without even getting to make their pitch.

*The sales crew for a California inventor got the same treatment. He'd developed a far more accurate version of the device that measures the levels of blood oxygen — **an advance with the potential to save many newborns every year.** But despite the support of doctors' groups, hospitals across the United States were denied the chance to buy his revolutionary product.*

By comparison, new software to help hospitals keep up with medical supply needs doesn't sound so dramatic. Nonetheless, its developer says the software could save healthcare consumers in this country up to \$80 billion a year. But when the software company went looking for funding to launch a business based on the new system, the bank turned it down for what seemed like bizarre reasons. Perhaps a more plausible explanation: The bank had a business relationship with an investment firm closely tied to a giant hospital supply entity, one that controls close to a third of all the hospital supply business in the United States — and that stood to lose hugely by the introduction of such software.

The common link in all these cases is Novation, a North Texas company that, while little known to the average person, has become the largest broker of hospital and medical supplies in the country, wielding enormous influence over the lives of patients, the safety of hospital workers, and the zooming costs of healthcare in this country. But it's also a giant in trouble. Several small medical supply manufacturers that say they have been squeezed out of the market by Novation are lining up to sue, and the company has already paid out millions of dollars in settlements. Congress is in its third year of investigating Novation's activities. At least one state attorney general is investigating the company. And now the company is a target of a Dallas-based investigation by the U.S. Attorney's office into massive allegations of Medicare fraud — a probe that has been hampered by the deaths, within the last 18 months, of two of the prosecutors involved in it.

<snip>

[Printer Friendly](#) | [Permalink](#) | [Top](#)**AikidoSoul** (1000+ posts) 

Thu Apr-26-07 11:35 PM

Response to [Reply #24](#)**56. That IS an extremely interesting article. Very illuminating --digs into the huge amount of money**

involved with this scheme. We're talking multi-billions -- and since it's a privately owned company there is little known about how the cash flows.


Again -- it's the article at this link (thank you):

<http://www.fweeklly.com/content.asp?article=3419>

Another excerpt:

"With 2,400 hospitals as members, Novation controls access to close to a third of hospitals nationwide and claims to have saved its members \$1 billion in 2003. But the company does not release information on its revenue. In fact, Novation's reputation is one of extreme secrecy.

'I've talked to member hospitals who say it's like getting info out of the CIA,' said Rudikoff, of the medical workers union. 'They're not open at all with them. As far as outside community scrutiny, they don't disclose anything to the public. They're resistant to any kind of oversight. Novation is a private entity owned by hospitals, which are a public trust, but they act as though everything is their own private business, which just happens to be 60 percent sponsored by taxpayers.' "

[Printer Friendly](#) | [Permalink](#) | [Top](#)**leftchick** ☆ (1000+ posts) 

Fri Apr-27-07 01:31 PM

Response to [Reply #24](#)**79. the CEO of Novation retired after 18 years in 2006**

interesting timing....

Retired Novation President Mark McKenna Joins The Beryl Companies' Executive Advisory Council

DALLAS, June 19 /PRNewswire/ -- Mark McKenna, newly retired president and CEO of Novation, has joined The Beryl Companies' Executive Advisory Council. Beryl, the nation's leading healthcare-exclusive customer interaction center, formed its Executive Advisory Council with leaders from many of the nation's best-known and most widely respected hospitals and other healthcare organizations to provide strategic guidance and advice about the ever-changing healthcare industry.

"I am honored to be joining with so many well-respected leaders in the industry to work with Beryl as it, too, is an industry leader," said McKenna. "Beryl has set the standard for exceptional customer service in healthcare."

McKenna served on the management team that structured the joint venture between VHA and UHC resulting in the creation of Novation. He joined VHA Inc. in April 1987 and held several senior management assignments in VHA's supply chain management division. Prior to joining VHA, Mr. McKenna was director of marketing for IMED Corp. of San Diego, a manufacturer of drug delivery systems. His previous experience includes sales and marketing assignments with Johnson & Johnson and American Hospital Supply Corp. McKenna has a bachelor's degree in business from Boston College and a Master of Business Administration from Suffolk University in Boston.

http://www.biospace.com/news_story.aspx?StoryID=22150&f...

[Printer Friendly](#) | [Permalink](#) | [Top](#)**AikidoSoul** (1000+ posts) 

Thu Apr-26-07 07:29 PM






Response to [Original message](#)**25. Wow!! I hope somebody keeps on top of this one. It looks like it may have**

Edited on Thu Apr-26-07 07:30 PM by AikidoSoul

great promise to further put a light into the dark bottomless worm barrel of corruption that is



the Bush administration.

autorank ☆ (1000+ posts)     

Thu Apr-26-07 09:15 PM
Response to [Original message](#)

31. K&R. Justice for Sale!



Excellent connection of some very interesting dots.

Why indeed wasn't this question asked. Probably because of limitations of staff or maybe because it's the same old same old masqueraded as "a crisis of the system."

<http://www.scoop.co.nz/stories/HL0704/S00062.htm>

I'd forward this to Leahy's committee.

Thank you. Very intriguing.

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Octafish ☆ (1000+ posts)     

Thu Apr-26-07 09:23 PM
Response to [Original message](#)

32. Crooks always look for the perfect crime.






JOURNAL UPDATED



From the OP:

- Patriot Act provision protects monopolizing practices of these GPOs
- Patriot Act provision allows the President to appoint USAt.s without congressional approval
- President uses the provision to replace USAt.s who are going after the Patriot Act-protected GPOs

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Oilwellian ☆ (1000+ posts)     

Thu Apr-26-07 09:41 PM
Response to [Original message](#)

33. More on Piper Jaffray



I'm reminded of Enron:






Piper Jaffray Stock and Securities Fraud

Piper Jaffray stock fraud allegations are mostly related to improper relations between banking and research. Past Piper Jaffray stock fraud cases have resulted in fines paid by the firm and its managing director. One Piper Jaffray stock fraud allegation claimed the company threatened to end analyst research of a biotech company, this case of Piper Jaffray stock fraud was an example of the firm attempting to gain underwriting business through favorable stock analysis.

Piper Jaffray stock fraud allegations in more recent months have resulted in negotiations. Without admitting guilt in Piper Jaffray stock fraud suits, the firm is offering to pay fines related to improper conduct. While the Piper Jaffray stock fraud allegations are not as widely known and do not involve as much money, the Piper Jaffray stock fraud charges are serious indicators of Wall Street problems—like charges against Merrill Lynch and others. Piper Jaffray stock fraud, maintain investigators, created an unhealthy environment by bullying businesses into using their services; compounding the Piper Jaffray stock fraud problem is the link between their client companies and favorable stock ratings with little justification. Piper Jaffray stock fraud may have cost investors a considerable sum in lost investments. If you suspect that Piper Jaffray stock fraud caused you financial harm, you may want to consult an attorney familiar with Piper Jaffray stock fraud cases to determine if you are legally entitled to recover part or all of your losses.

<http://www.stockfraudnewswire.com/piperjaffray/index.ht...>

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peacetalksforall ☆ (1000+ posts)     

Thu Apr-26-07 10:09 PM
Response to [Original message](#)

38. I rearranged the data for my understanding - any flaws or fill-ins?



Edited on Thu Apr-26-07 11:02 PM by higher class

I Voted

Novation - GPO. (Irving, TX)

Neoforma - GPO

GPO - Group Purchasing Organization(s)

GPO's are intermediaries between manufacturers of hospital supplies and hospitals.

Samuel Lipari of Kansas City, MO started a company, Medical Supply Chain, applies for a loan from U.S. Bank. Business plan called for hospitals to buy directly from manufacturers saving hospitals (Medicare) \$80 billion a year (also referred to as \$20 billion in another source?).

Loan turned down. A money laundering provision of the USA Patriot Act is cited - bank says Lipari did not provide sufficient answers to questions about source and flow of money.

Lipari and his lawyer find that U.S. Bank had a business relation with Piper Jaffrey.

Piper Jaffrey had a business relation with Novation and Neoforma.

Lipari files law suit against U.S. Bank, Piper Jaffrey, and Novation.

Timelines:

Date?.....Lipari fails to get loan.

October 2002.....Lawsuit filed by Lipari (against U.S. Bank, Piper Jaffrey, Novation)

Date? Subpoenas issued in investigation of Novation and other hospital suppliers for anti-competitive practices from the office of the US Atty in Ft. Worth. US Atty Assts working on it were L Senerote, M Uhl, M Snipes from the Ft. Worth office. Subpoena signed by Atty Shannon Ross.

July 20, 2004....Prosecutor in Dallas found dead. Thelma Colbert. "headed a civil litigation unit of the Fort Worth DOJ office that prosecuted companies involved in defrauding government"

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Date? Senate sub-committee hearing.

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Sept 13 2004.... Prosecutor in Dallas found dead. Shannon Ross. "criminal chief for the U.S. Attorney's office in Dallas, who reportedly had signed the GPO subpoenas "

October 2004.....Lipari becomes concerned Gonzales using firing of Attys and Assts to obstruct justice - resulting from firing of Senerote, Uhl, Snips - US Atty Assts.

January 2006..... Kyle Sampson sends memo to Harriet M and Kelley list of 10 names of attorneys (not 8) to be fired.

March 2006.....Todd Graves, US Atty in Missouri resigns. Working on Lipari's case ? His office had been active in prosecuting Medicare fraud.

Mar/April 2006...Graves replaced by Bradley Schlozman who:

- . came from the Justice Dept
- . helped DeLay with redistricting
- . failed to prosecute public corruption related to Lipari case
- . failed to enforce civil rights laws related to success by defendants of Novation to get Lipari's lawyer disbarred

August 2006 Federal prosecutors in Dallas open investigation - Novation at center

January 2007.....Gonzales announces that John Wood would replace Schlozman

April 2007..... Lipari finds US Justice Dept Memo showing 10 US Attys targeted for firing.

April 2007.....US Bank fails to get Lipari \$450 million Lipari suit dismissed

April 2007.....Duers learn about the behind the scenes resignation of a U.S. Atty who was watching out for us from posting by George Oilwellian.

Link - NYT article: <http://query.nytimes.com/gst/fullpage.html?sec=health&r...>

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AikidoSoul (1000+ posts) 

Thu Apr-26-07 10:19 PM
Response to [Reply #38](#)


41. Thelma Colert died on 07/20/04.



"Thelma Quince-Colbert head of the Affirmative Civil Enforcement Unit of the Fort Worth Office of the United States Attorney died on July 20, 2004 at her home in Texas."

<http://209.85.165.104/search?q=cache:TWm23EljyV8J:www.n...>

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Oilwellian ☆ (1000+ posts) 

Thu Apr-26-07 10:24 PM
Response to [Reply #38](#)

42. Pretty good timeline...here are some more dates

Samuel Lipari became concerned that Attorney General Alberto Gonzales was using the firing of appointed US Attorneys and senior assistant US Attorneys to obstruct justice in investigations involving public corruption on October 18, 2004 when white collar crime prosecuting Assistant US Attorneys Leonard Senerote, Michael Uhl and Michael Snipes were fired from the Ft. Worth Texas office of the US Attorney that had issued subpoenas in an ongoing investigation of Novation LLC and other hospital suppliers for anticompetitive practices. Samuel Lipari was especially concerned over the firings in the Ft. Worth office where the chief US Attorney responsible for Medicare fraud, Thelma Louise Quince Colbert had been found dead in her swimming pool on July 20th, 2004 and the Ft. Worth office Senior US Prosecuting Attorney that had signed the subpoenas, Shannon Ross (formerly of Kansas) was found dead in her home on September 13th, 2004. Shannon Ross's investigation of Novation LLC sparked the New York Times article "Wide U.S. Inquiry Into Purchasing For Health Care" on Saturday August 21, 2004.

<http://www.pressrelease365.com/pr/government/federal/gr...>

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Oilwellian ★ (1000+ posts)

Thu Apr-26-07 10:59 PM

Response to [Reply #42](#)

47. Here's a link to the NYT article mentioned in my above post

It appears Shannon Ross died less than a month after she signed the subpoenas.

(snip)

More than a dozen medical-supply companies recently received federal subpoenas in what appears to be a wide-ranging investigation into the way suppliers market products to clinics, hospitals and nursing homes that serve Medicare and Medicaid patients, and whether those institutions properly account for the purchases.

(snip)

Some of the other big companies to be served with subpoenas are the drug makers Merck, Bristol-Myers Squibb and Genentech; the G.E. Healthcare medical equipment unit of General Electric, and Cardinal Health, a big manufacturer and distributor of drugs and medical supplies.

Based on the federal codes cited in a copy of one of the subpoenas, investigators are seeking evidence of health care fraud, conspiracy to defraud the United States, theft or bribery involving programs receiving federal funds, obstruction of investigations and other possible violations. The subpoena was signed by Shannon Ross, criminal chief of the United States attorney's office in Dallas.

<http://query.nytimes.com/gst/fullpage.html?sec=health&r...>

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peacetalksforall ★ (1000+ posts)

Thu Apr-26-07 11:04 PM

Response to [Reply #47](#)

50. Aikido, George, Mom - I entered data. tks.

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bjjobotts (1000+ posts)

Thu Apr-26-07 11:04 PM

Response to [Reply #42](#)

49. Timeline Order

So 3 assistant USA's fired Oct., 18 2004 by DOJ main
 Chief USA for Medicaid Fraud in Ft. Worth found dead in swimming pool July 20. 2004
 NYT's article on the investigation of GPO's related to this case appeared Aug. 21, 2004
 Senior USA that had signed subpoenas found dead in bed Sept. 13, 2004.
 So five people from same USA's office investigating this case disappear within 3 mo. period.
 Yep, that would stop an investigation. And not one mention of any of it from Gonzales's DOJ..very suspicious. Great post...Hope it gets major attention in Congress.

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peacetalksforall ★ (1000+ posts)

Thu Apr-26-07 11:06 PM

Response to [Reply #49](#)

51. Yeah! And the men got fired and the women died.



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KoKo (1000+ posts)

Fri Apr-27-07 12:46 PM

Response to [Reply #49](#)

77. Were the two women SINGLE? That would be important to know...



because if they were, there might not have been anyone to witness their deaths. 🙄

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AikidoSoul (1000+ posts)

Fri Apr-27-07 10:27 PM

Response to [Reply #49](#)

98. Don't forget that Gonzales used to be a partner with the law firm that represents Novation!!!!



<http://www.medicalsupplychain.com/pdf%5CMcCaskill.pdf>

"Attorney General Alberto R. Gonzales while in private practice was a partner with the law firm of Vinson & Elkins L.L.P. that represents Novation, LLC in my complaint and other hospital supply antitrust litigation."



wtf:

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peacetalksforall ☆ (1000+ posts)

Fri Apr-27-07 12:01 AM

Response to [Reply #38](#)

61. New timeline (editing time ran out) Added FBI surveillance items



Edited on Fri Apr-27-07 12:02 AM by higher class

Latest draft:

Novation – GPO. (Irving, TX)

Neoforma – GPO

GPO – Group Purchasing Organization(s)

GPO's are intermediaries between manufacturers of hospital supplies and hospitals.

Samuel Lipari of Kansas City, MO started a company, Medical Supply Chain, applies for a loan from U.S. Bank. Business plan called for hospitals to buy directly from manufacturers saving hospitals (Medicare) \$80 billion a year (also referred to as \$20 billion in another source?).

Loan turned down. A money laundering provision of the USA Patriot Act is cited – bank says Lipari did not provide sufficient answers to questions about source and flow of money.

Lipari and his lawyer find that U.S. Bank had a business relation with Piper Jaffrey.

Piper Jaffrey had a business relation with Novation and Neoforma.

Lipari files law suit against U.S. Bank, Piper Jaffrey, and Novation.

Timelines:

Date?.....Lipari fails to get loan.

October 2002.....Lawsuit filed by Lipari (against U.S. Bank, Piper Jaffrey, Novation)

Date? Subpoenas issued in investigation of Novation and other hospital suppliers for anti-competitive practices from the office of the US Atty in Ft. Worth. US Atty Assts working on it were L Senerote, M Uhl, M Snipes from the Ft. Worth office. Subpoena signed by Atty Shannon Ross.

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October 2004.....Lipari becomes concerned Gonzales using firing of Attys and Assts to obstruct justice - resulting from firing of Senerote, Uhl, Snips - US Atty Assts

April 21, 2005..... Lipari complains FBI misusing Patriot Act surveillance powers. Lipari affidavit describes "misuse of USA PATRIOT Act surveillance powers. The affidavit described interception of electronic communications and searches by law enforcement officials being used to interfere with and obstruct Lipari's civil prosecution of the Novation defendants" (a)

January 2006..... Kyle Sampson sends memo to Harriet M and Kelley list of 10 names of attorneys (not 8) to be fired.

March 2006.....Todd Graves, US Atty in Missouri resigns. Working on Lipari's case ? His office had been active in prosecuting Medicare fraud.

Mar/April 2006...Graves replaced by Bradley Schlozman who:

- . came from the Justice Dept
- . helped DeLay with redistricting
- . failed to prosecute public corruption related to Lipari case
- . failed to enforce civil rights laws related to success by defendants of Novation to get Lipari's lawyer disbarred

August 2006 Federal prosecutors in Dallas open investigation - Novation at center

October 12, 2006....Lipari again complains "in the US Court of Appeals for the Eight Circuit in St. Louis, Missouri that US District Attorney Bradley J. Schlozman failed to investigate evidence of public corruption..."(a)

January 2007.....Gonzales announces that John Wood would replace Schlozman

March 22, 2007...Gonzales "met in St. Louis with U.S. Attorneys Catherine L. Hanaway and Bradley J. Schlozman of Missouri districts to conduct an undisclosed discussion related to the conduct of US Attorney Bradley J. Schlozman"(a)

April 2007..... Lipari finds US Justice Dept Memo showing 10 US Attys targeted for firing.

April 2007.....US Bank fails to get Lipari \$450 million suit dismissed






April 2007.....Duers learn about the behind the scenes resignation of a U.S. Atty who was watching out for us from posting by George Oilwellian.

Link - NYT article: <http://query.nytimes.com/gst/fullpage.html?sec=health&r...>

Link (a) - from DU#53 by Marie 26 and her link.

<http://www.pressrelease365.com/pr/government/federal/al...>

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mod mom ☆ (1000+ posts)     

Thu Apr-26-07 10:10 PM
Response to [Original message](#)

39. READ THIS from Kos on US Attorney Graves:








Matt Blunt, the governor, has awarded one of the few remaining patronage plums in the state - franchises to collect fees for driver's license renewals, tax payments for new cars and processing motor vehicle titles and registrations that can provide recipients with as much as \$1 million over four years -- to the wife of U.S. Attorney Todd P. Graves, Tracy Graves, and to Graves's brother-in-law, Todd Bartles. The U.S. attorney's office has jurisdiction over Blunt's congressional district and the state capitol.

Responding to a complaint from the Missouri Democratic Party, David Margolis, associate deputy attorney general in Washington, wrote to Todd Graves: "I have determined that there is no existing conflict of interest that requires further action at this time." Margolis noted the procedures for Graves to recuse himself "from any existing or future matters in which a conflict of interest exists."

-snip

<http://www.dailykos.com/story/2007/4/18/1221/55645>

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Oilwellian ☆ (1000+ posts)     


Thu Apr-26-07 10:26 PM
Response to [Reply #39](#)

43. Excellent find



It appears to be a payoff.

I love DU...the best investigative minds on the internet.

[Printer Friendly](#) | [Permalink](#) | | [Top](#)fooj (1000+ posts) 

Sat Apr-28-07 01:46 PM

Response to [Reply #43](#)**114. Hell, we're just hungry for some TRUTH!**

And we'll dig ANYWHERE to find it! Great thread!!!

[Printer Friendly](#) | [Permalink](#) | | [Top](#)AikidoSoul (1000+ posts) 

Thu Apr-26-07 10:57 PM

Response to [Reply #39](#)**46. Good link. Looks like a payoff to me. The Missouri citizen group makes it clear**


at that link that the fat deal was a payoff to keep Graves in debt to Blunt which would forestall any serious investigations into Blunt's corrupt activities.

<http://www.dailykos.com/story/2007/4/18/1221/55645>

"Gov. Matt Blunt and U.S. Attorney Todd Graves have created a critical conflict of interest, that leaves Missourians with no choice but to question the integrity of the Governor's office and the protection they will receive from the U.S. Attorney's office. With Graves' wife and brother-in-law accepting \$3.6 million in no-bid contracts to run two of the state's most lucrative fee offices.

Because Graves' office oversees investigations into wrongdoing or corruption in the state capitol, this situation amounts to \$3.6 million in corruption insurance for Blunt. The arrangement seemingly will ensure that the Blunt administration will never be investigated for corruption or wrongdoing as long as Graves and his family continue to get rich off of the Blunt administration.


Tell Matt Blunt and Todd Graves to clean up this mess and fix this conflict of interest immediately. Either Graves' should resign as U.S. Attorney or Blunt must rescind the no-bid handouts he gave to Graves' wife and brother-in-law."

[Printer Friendly](#) | [Permalink](#) | | [Top](#)bjjobotts (1000+ posts) 

Thu Apr-26-07 10:13 PM

Response to [Original message](#)**40. \$80 billion a year to kill for.**

It has happened before in this country involving USA's. This much money involved and people will end up dead trying to take it away. Denying the loan using the Patriot Act is ludicrous. I do know that Scholzman couldn't prevent McCaskill beating out Talent for Senator but he definitely got this investigation halted almost like he were working for the GPO rather than the plaintiff which was his job to do. At any rate, Scholzman is one of the biggest assholes one could ever encounter and thank God he didn't stay in Missouri. He had never prosecuted a case in his career but was responsible for driving away career Justice attorneys through constant verbal and emotional abuse and blackmail. A power freak to the max and it's written all over him.


[Printer Friendly](#) | [Permalink](#) | | [Top](#)Oilwellian ☆ (1000+ posts) 

Fri Apr-27-07 12:06 AM

Response to [Reply #40](#)**63. Here's his slimy mug**

Bradley J. Schlozman

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undergroundpanther ☆ (1000+ posts) 

Fri Apr-27-07 01:32 AM
Response to [Reply #63](#)

69. Eeww

Have you noticed whenever one of these mostly invisible wealthy psychopath scumbags is pictured they are always disgusting and distorted looking?
This guys smile looks like a pit viper.I swear we must take power and money AWAY from psychopaths like Schlozman forever.Put them in jail seize all their assets and funnel it to the people they defrauded(medicare medicaid)and let them rot in a cell. Or as I would prefer,just execute them after the trial.

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Sydney ☆ (1000+ posts) 

Sat Apr-28-07 11:15 PM
Response to [Reply #63](#)


146. What the hell is that on his face?



That's not like any facial hair I have ever seen. Did he make it look like it had holes on purpose? 🤔👎



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diane in sf ☆ (1000+ posts) 

Thu Apr-26-07 10:32 PM
Response to [Original message](#)

44. Thank you Mr. Oilwellian, I'll walk print and CD .copies of this over to Di Feinstein's

office on Monday

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Oilwellian ☆ (1000+ posts) 

Thu Apr-26-07 11:03 PM
Response to [Reply #44](#)

48. Thanks diane



The more we inform Congress about what WE know about this, the more likely they are to act on it. I hope everyone who reads this thread will call Leahy & Specter's office tomorrow and ask them to look into this case.

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ninkasi (1000+ posts) 


Thu Apr-26-07 10:51 PM
Response to [Original message](#)

45. The sheer magnitude of Republic



corruption is really mind-blowing. They do nothing with a reason which benefits them. They do not recognize the common good, only acting in ways which give them more power, and more money. They are truly a den of thieves.

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mod mom ☆ (1000+ posts) 

Thu Apr-26-07 11:07 PM
Response to [Original message](#)

52. Why was Bud Cummins looking into Blunt? Cummins was Arkansas, but I



read today that Cummins waas replaced w Griffin (Rove scumbag protege) so that he could dig for dirt on Hillary. WTF, has our candidate already been chosen for us? F*#! that noise!

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Marie26 (1000+ posts) 

Thu Apr-26-07 11:20 PM
Response to [Original message](#)

53. Did Gonzales use FBI surveillance to help Novation?

Edited on Thu Apr-26-07 11:34 PM by Marie26

MSC is alleging that the FBI authorized wiretaps & searches of his company in order to help Novation's case - not for any legitimate criminal investigation. If this is true, this is an absolute bombshell. I can't imagine - the entire force of the FBI, the Justice Dept. & the federal government being used to help crony corporations win their civil lawsuits. It's scary.

**Attorney General Alberto Gonzales Sandbagged
Novation LLC Prosecution**

... In an April 18, 2005 affidavit, **Medical Supply Chain founder Samuel Lipari complained about FBI misuse of USA PATRIOT Act surveillance powers. The affidavit described interception of electronic communications and searches by law enforcement officials being used to interfere with and obstruct Lipari's civil prosecution of the Novation defendants** in Medical Supply Chain, Inc., v. Novation LLC et al, US District Court for the W.D. of Missouri No. 05-0210-CV-W-ODS. ...

Samuel Lipari again complained on October 12, 2006 in the US Court of Appeals for the Eight Circuit in St. Louis, Missouri that US District Attorney Bradley J. Schlozman failed to investigate evidence of public corruption brought to his office and permitted obstruction of justice to continue despite the injuries to Samuel Lipari, his family and associates. ...

On January 16, 2007 Attorney General Gonzales responded to criticism of his misuse of the USA PATRIOT Act by announcing John Wood would be taking Bradley Schlozman's place in Kansas City two days before he gave his previous testimony to Congress.

On March 22, 2007, Attorney General Alberto Gonzales met in St. Louis with U.S. Attorneys Catherine L. Hanaway and Bradley J. Schlozman of Missouri districts to conduct an undisclosed discussion related to the conduct of US Attorney Bradley J. Schlozman.

Disappointed with the continuing US Department of Justice cover up, on April 9, 2007 Samuel Lipari publicly disclosed Medical Supply discovery **revealing the US Attorneys targeted by Karl Rove and Attorney General Alberto Gonzales that resulted in Todd Graves being replaced by Bradley J. Schlozman a year earlier.** John Wood was finally sworn in as the US Attorney for the Western District of Missouri on April 11, 2007.

<http://www.pressrelease365.com/pr/government/federal/al...>

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Theduckno2 (905 posts)



Thu Apr-26-07 11:29 PM

Response to [Reply #53](#)

55. I read the release also and noticed the coverage by the British press.



One might think that the U.S. MSM didn't want to say anything bad about Bushco. That couldn't be, could it? **SARCASM**

Thanks George Oilwellian.

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Marie26 (1000+ posts)



Thu Apr-26-07 11:40 PM

Response to [Reply #55](#)

58. Looks like the NY Times

Edited on Thu Apr-26-07 11:41 PM by Marie26

did a pretty good investigative series on these GPO companies. But it doesn't look like many US media outlets have picked up on MSC's allegations regarding the abuse of the Patriot Act. The murder rumor seems over the top, but it does look like there was something very shady going on in the FBI & the Missouri DOJ office. Thanks George Oilwellian!

NY Times series: <http://www.masimo.com/NYTimes/index.htm>

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Theduckno2 (905 posts)



Thu Apr-26-07 11:58 PM

Response to [Reply #58](#)

60. Thanks, off to do some more reading. n/t



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Oilwellian ☆ (1000+ posts)

Thu Apr-26-07 11:37 PM

Response to [Reply #53](#)

57. Mme.Defarge posted an excellent link in post 13



Here it is again:

<http://www.medicalsupplychain.com/news.htm>

There's a section of letters that Lipari sent to various people...one of the letters describes exactly what you posted. I highly recommend you read them. They're a treasure trove of information...and I'm still reading through them.

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AikidoSoul (1000+ posts)

Thu Apr-26-07 11:48 PM

Response to [Reply #53](#)

59. It would not be the first time that gov sponsored spying helped large corporate friends



European companies have long complained of this. Look up Echelon and industrial espionage

<http://www.cbsnews.com/stories/2000/02/24/world/main164...>

"The report on Echelon was written by a British investigative journalist, Duncan Campbell. Campbell said most international Internet communications are being routed through the United States -- and through nine known NSA interception sites."

Also -- the French are furious about this:

<http://www.cbsnews.com/stories/2000/07/05/world/main212...>

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upi402 (1000+ posts)

Fri Apr-27-07 12:05 AM

Response to [Original message](#)

62. k/r n/t



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Mme. Defarge (1000+ posts)

Fri Apr-27-07 12:23 AM

Response to [Original message](#)

64. Well, for what it's worth ...



I sent an e-mail to Samuel Lipari, inviting him to join our discussion. Don't hold your breath.

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Oilwellian ☆ (1000+ posts)

Fri Apr-27-07 12:47 AM

Response to [Reply #64](#)

66. I emailed him as well



Plus, the blog I quote in my original post has this up now:

This story on Medicare fraud, an alleged misuse of the Patriot Act, an alleged connection to the U.S. Attorney purge, and more, has generated little interest in the big media world as of late. Maybe with good reason. I just don't know. But it is, even without the intrigue, a fascinating story about how our hospitals work - and how they should not work. The New York Times on that from 2004.

One of the figures in the story is Samuel Lipari, CEO of Medical Supply Chain, a St Louis company that he says can save American health care consumers billions of dollars. But, says Lipari, nefarious forces in the corporate and political world thwarted him and his company.

I contacted Mr. Lipari a few weeks ago and he agreed to answer a list of questions. He just notified me that his responses will be coming in early next week.

<http://littlethomsblog.blogspot.com/>
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AikidoSoul (1000+ posts) 

Sat Apr-28-07 05:58 PM

Response to [Reply #66](#)**141. Besides asking Lipari specific questions, ask a general question**

like "what can you tell DU activists that will better enable us to help uncover this scandal and keep it in the press until it's resolved."

He may be under some kind of restriction about what he can say about this case as it is still being litigated and may only be able to include items that are currently in the public record -- but I don't know the legal constraints on this. Maybe there is some other way this can be done that doesn't jeopardize his position in the case.

Also.... because he's a busy businessman chances are good that he doesn't have a clue about how blogs work so it might not occur to him that they can be great places to link with others anonymously to do detective work and get the drums rolling.

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AikidoSoul (1000+ posts) 

Sat Apr-28-07 05:59 PM


Response to [Reply #66](#)**142. Besides asking Lipari specific questions, ask a general question**

Edited on Sat Apr-28-07 06:00 PM by AikidoSoul

like "what can you tell DU activists that will better enable us to help uncover this scandal and keep the pressure on the press, congressional offices, etc., it's resolved."

He may be under some kind of restriction about what he can say about this case as it is still being litigated and may only be able to include items that are currently in the public record -- but I don't know the legal constraints on this. Maybe there is some other way this can be done that doesn't jeopardize his position in the case.

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Oilwellian ☆ (1000+ posts) 

Fri Apr-27-07 01:27 AM

Response to [Original message](#)**67. This is rich**

Edited on Fri Apr-27-07 01:32 AM by George Oilwellian

Testimony by a GPO official to the Senate Judiciary Cmte, the day after the attorney who signed subpoenas for an investigation was found dead:

At the outset, I would like to highlight the following points:

1. Two years ago, HIGPA developed a Code of Conduct which focused on several areas, including: promoting competition and innovation; eliminating the potential for conflicts of interests; ensuring open communications between members and vendors; establishing guidelines for the use of contracting tools; and providing transparency by requiring full disclosure to members of all vendor payments. Our Code has provided greater accountability to hospitals and other providers.

2. Since 2002, this industry has undergone a full review by the U.S. Department of Justice (DOJ) and the Federal Trade Commission (FTC), and they found there was no need for additional regulation of the industry. As they have indicated in their July 2004 joint report on health care competition and policy, the current tools available to them are sufficient to oversee the industry, and assure continued competition.

3. We offer to engage in productive dialogue with the Subcommittee to explore non-legislative approaches for assuring the changes that have been made remain in place, and the industry is always vigilant in adapting its practices as the market continues to evolve.
HIGPA's Code of Conduct Principles

In 2002, with the assistance and guidance of your Subcommittee, HIGPA cooperatively developed a Code of Conduct Principles for its GPO membership – designed to strengthen the delivery of health care products and services by creating a set of principles for GPOs to incorporate into their businesses.

HIGPA's Code is unprecedented in the health care supply chain industry, and the only mandatory one within the industry. The adoption and implementation of the Code underscores the group purchasing industry's commitment to improving health care and advancing technological innovation at the most manageable cost to providers of care and their patients. Ultimately, it has provided greater accountability to hospitals and other providers.

http://judiciary.senate.gov/testimony.cfm?id=1302&wit_i...

It's no surprise, under DeWine's leadership, they just thought the GPOs could regulate themselves. I'm off to bed...my brain is reeling after all of this. G'night everyone and thanks for participating. I'm sure this thread won't be the last on this stunning information.

On edit: Here's a link to the DOJ review of GPOs...should make interesting reading over coffee in the morning.

http://www.usdoj.gov/atr/public/press_releases/2004/204...

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rumpel ☆ (1000+ posts) 

Fri Apr-27-07 01:33 AM

Response to [Reply #67](#)

70. thanks George O



sleep well...

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rumpel ☆ (1000+ posts) 

Fri Apr-27-07 01:27 AM

Response to [Original message](#)

68. wow. Congress must address this.



In a public open forum and investigation of abuse of power.

Novation isn't reinventing the wheels of healthcare, just greasing them a little. Novation offers management consulting and supply chain services to hospitals and other health care facilities. Novation is one of the largest health care supply chain management firms in the nation, serving more than 2,500 health care organizations. The company procures medical equipment and supplies, pharmaceuticals, laboratory, food and other products needed to run health care facilities. Novation is a subsidiary of the health care cooperative VHA. The company was founded in 1998 and today is one of Cardinal Health's biggest group purchasing organization (GPO) customers.

<http://finance.google.com/finance?cid=1272605>

"VHA" could stand for a "Very Healthy America." Founded in 1977, the hospital cooperative keeps the US well through a network of community-owned health care organizations. With more than 2,400 members in 47 states and Washington, DC, the co-op represents about a quarter of US community-owned hospitals. VHA offers such services as networking and education for health care workers, clinical performance improvement programs, cost analytics, and supply chain management. VHA members purchase medical supplies from Novation, a joint venture with University HealthSystem Consortium. Baylor Health Care System in Texas, BJC HealthCare in Missouri, and the Mayo Foundation in Minnesota are among VHA's members.

<http://finance.google.com/finance?cid=5832874>

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lovuian (1000+ posts) 

Fri Apr-27-07 03:02 AM


Response to [Original message](#)

71. OMG they are murderers too



Yes whats wrong with the Judiciary committee are they panzies or Senators

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HCE SuiGeneris ☆ (1000+ posts) 


Fri Apr-27-07 03:14 AM

Response to [Original message](#)

72. Everyone needs to see this -- KICK



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Enthusiast ☆ (1000+ posts) 

Fri Apr-27-07 06:09 AM

Response to [Reply #72](#)


73. This is all very interesting, but.....



This is all very interesting, but, Bush's cronies will continue to operate outside the law and get away with it. Sorry to be pessimistic but I have come to the conclusion that they have simply amassed too much control. I doubt that we will hear any of these allegations on our major news outlets.

Welcome to fascist America.

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HCE SuiGeneris ☆ (1000+ posts) 

Fri Apr-27-07 11:56 AM


Response to [Reply #73](#)

76. I am fully aware of the morass we are mired in,



and tend to share your point of view. See my post #17
<http://www.democraticunderground.com/discuss/duboard.ph...>

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Enthusiast ☆ (1000+ posts) 

Fri Apr-27-07 02:55 PM


Response to [Reply #76](#)

80. Yup.....



Morass is a good word. The media is at fault here. The media should be all over these scandals like they were with the imaginary Clinton scandals.....but. Sunza-bitches!

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Oilwellian ☆ (1000+ posts) 

Fri Apr-27-07 03:18 PM


Response to [Reply #80](#)

81. Apparently DU thinks this story is "imaginary" as well



It was on the front page late last night and is now no where to be seen, even though it has 78 recommends with many excellent sources throughout the thread. I fucking give up.

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Mme. Defarge (1000+ posts) 

Fri Apr-27-07 03:38 PM

Response to [Reply #81](#)

82. Patience, mon ami



FYI, I heard back from Samuel Lipari -- here are his comments:

Subject: Re: For Samuel Lipari
Date: Apr 27, 2007 8:14 AM

... thanks for the invite. As you would expect my plate is beyond full although I do read many of the threads. The readers are extremely insightful and have an excellent understanding of what is happening and has happened. Best regards, S~

----- Original Message -----

From:

To: info@MedicalSupplyChain.com

Sent: Thursday, April 26, 2007 11:19 PM

Subject: For Samuel Lipari

The Democratic Underground has found your story.

<http://www.democraticunderground.com/discuss/duboard.ph...>






<http://www.democraticunderground.com/discuss/>

We would be honored to have you join our discussion.

Sincerely,

Mme. Defarge

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ReadTomPaine ☆ (1000+ posts)     






Fri Apr-27-07 04:49 PM

Response to [Reply #82](#)

85. Well done!

I've passed this thread around to half a dozen people in the medical community myself since I came across it last night. This scandal seems to have no end.

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riderinthestorm ☆ (1000+ posts)     

Fri Apr-27-07 07:41 PM

Response to [Reply #85](#)






86. Great suggestion. I just did that myself to 4 people in IL med circles



and my sister who is a major player in CA med system.

Kick!

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Mme. Defarge (1000+ posts)     






Fri Apr-27-07 08:00 PM

Response to [Reply #85](#)

87. Merci!



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mod mom ☆ (1000+ posts)     

Fri Apr-27-07 09:34 PM






Response to [Reply #85](#)

93. My husband sent it to a friend who is a CEO at a hospital in TX. This is really



beyond words!

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Mind_your_head ☆ (1000+ posts)     

Fri Apr-27-07 11:00 AM

Response to [Original message](#)






74. Kick to the top



For more people to see/read this...



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donkeyotay (1000+ posts)     

Fri Apr-27-07 01:04 PM

Response to [Original message](#)

78. Thanks and a kick. nt

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Mme. Defarge (1000+ posts)     

Fri Apr-27-07 04:45 PM

Response to [Original message](#)

84. For what it's worth ...



I emailed this info to Thom Hartmann and Randi Rhodes.

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AikidoSoul (1000+ posts) 

Fri Apr-27-07 09:09 PM
Response to [Original message](#)


88. For dear God's sake?!!! Why isn't this at the top of FAVORITES!? It has 78 recs!



This is not fair.....not at all.

Why?

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Malikshah ☆ (1000+ posts) 

Fri Apr-27-07 09:14 PM
Response to [Reply #88](#)

89. I tried, but it's over 24 hours old....damn system is acting all wonky again



to boot.

This needs to be Kicked repeatedly.

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AikidoSoul (1000+ posts) 

Fri Apr-27-07 09:25 PM
Response to [Reply #89](#)


90. But it was kicked off before the 24 hours was up



something is not right here.

I contacted the admin -- this should have stayed up there so more DUers can not only plug in but participate. I'm really impressed by what this group has put together so far.

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Malikshah ☆ (1000+ posts) 


Fri Apr-27-07 09:57 PM
Response to [Reply #90](#)

96. Good Job-- it's about dissemination and speculation



There's not enough gum out there for all the shoes, alas.

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aquart ☆ (1000+ posts) 

Sat Apr-28-07 01:41 PM
Response to [Reply #89](#)

113. kick



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mod mom ☆ (1000+ posts) 

Fri Apr-27-07 09:35 PM
Response to [Reply #88](#)

94. You can post a new thread same topic with links.



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Mind_your_head ☆ (1000+ posts) 

Sat Apr-28-07 01:29 AM
Response to [Reply #94](#)

100. Excellent idea....



I hope someone with 'creds' will do so. I'm a thread killa.

Hmmm.....How about 'Will'....William Pitt! Everyone seems to gravitate to his posts (for good or for ill)....at least people will 'look', right?

Will? Are you there? What say you?

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Fri Apr-27-07 09:28 PM
Response to [Original message](#)

91. kick



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Fri Apr-27-07 09:31 PM
Response to [Original message](#)

92. Kick this motherlode!!



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Fri Apr-27-07 10:06 PM
Response to [Original message](#)

97. When Gozales became AG"the investigation of Novation was suppressed"



<http://www.pressrelease365.com/pr/government/federal/al...>

[illegible]

After Alberto Gonzales became Attorney General on February 3, 2005, the investigation of Novation was suppressed even though insider Novation executives came forward to the US Department of Justice with evidence of laundering hospital funds through the publicly traded electronic hospital supply marketplace Neoforma, Inc. that was then controlled by Novation, Volunteer Hospital Association (VHA), and University Health System Consortium (UHC) and is now owned by the electronic hospital supply marketplace GHX, LLC.

In an April 18, 2005 affidavit, Medical Supply Chain founder Samuel Lipari complained about FBI misuse of USA PATRIOT Act surveillance powers. The affidavit described interception of electronic communications and searches by law enforcement officials being used to interfere with and obstruct Lipari's civil prosecution of the Novation defendants in Medical Supply Chain, Inc., v. Novation LLC et al, US District Court for the W.D. of Missouri No. 05-0210-CV-W-ODS

Attorney General Alberto Gonzales confirmed the existence of the program for warrantless surveillance, first reported in The New York Times, on December 19, 2005. However on January 25, 2006 Gonzales wrote that "there has not been a single verified abuse of any of the provisions" of the USA PATRIOT Act.

Samuel Lipari again complained on October 12, 2006 in the US Court of Appeals for the Eight Circuit in St. Louis, Missouri that US District Attorney Bradley J. Schlozman failed to investigate evidence of public corruption brought to his office and permitted obstruction of justice to continue despite the injuries to Samuel Lipari, his family and associates.

On January 16, 2007 Attorney General Gonzales responded to criticism of his misuse of the USA PATRIOT Act by announcing John Wood would be taking Bradley Schlozman's place in Kansas City two days before he gave his previous testimony to Congress.

On March 22, 2007, Attorney General Alberto Gonzales met in St. Louis with U.S. Attorneys Catherine L. Hanaway and Bradley J. Schlozman of Missouri districts to conduct an undisclosed discussion related to the conduct of US Attorney Bradley J. Schlozman.

Disappointed with the continuing US Department of Justice cover up, on April 9, 2007 Samuel Lipari publicly disclosed Medical Supply discovery revealing the US Attorneys targeted by Karl Rove and Attorney General Alberto Gonzales that resulted in Todd Graves being replaced by Bradley J. Schlozman a year earlier. John Wood was finally sworn in as the US Attorney for the Western District of Missouri on April 11, 2007.

[illegible]

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Fri Apr-27-07 10:34 PM
Response to [Original message](#)

99. Au Nom de Dieu

Edited on Fri Apr-27-07 10:35 PM by Mme. Defarge

KICK!!!!!!!!!!!!!!

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vanlassie ☆ (514 posts)

Sat Apr-28-07 02:54 AM
Response to [Original message](#)

101. Wow. Just wow.

Kicking.

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MagickMuffin ☆ (1000+ posts)

Sat Apr-28-07 04:26 AM
Response to [Original message](#)

102. Testimony of Mark McKenna from April 20, 2002

Wowwie George Oilwellian, This is EXCELLENT work:

McKenna's statement excerpt:

Because of our eight-step contract process – what we believe to be the most extensive in the industry – hospitals can have confidence that Novation ensures consistent, high-value agreements. This process is used across all departments and program areas of the company to achieve a consistent, high-value outcome.

Novation's contracting process includes the following steps:

- Identifying VHA and UHC member contract needs
- Conducting member and market research
- Developing and analyzing bids with councils
- Deciding awards
- Resolving and clarifying contract issues
- Finalizing the award
- Launching the agreement
- Retaining records

Sen. Leahy's questions in his opening statement:

Serious questions on several topics should be answered, including:

?Do the fees paid by suppliers to the GPOs who act as the go-betweens with the hospitals exceed the statutory limits?

?Do some GPOs have officers and employees with inappropriate connections to large medical suppliers?

?Should the GPOs be funded by the suppliers at all, rather than by their member hospitals?

?Do the GPOs' contracts and other practices with large, established medical and pharmaceutical supply companies keep newer and smaller companies from bringing innovative and high-quality products into our nation's hospitals?

?In light of the new GAO report, do GPOs actually save hospitals money?

There is more at link.... I realize this was waaaay back in '02 but this helps with understanding the MindFook.

http://judiciary.senate.gov/print_testimony.cfm?id=236&...

From Think Progress: **Controversial U.S. attorney returns to DC.**

U.S. attorney Bradley Schlozman is returning to the Justice Department to be an "attorney in the Counsel to the Director staff at the Executive Office for United States Attorneys."

Before being rewarded with the U.S. attorney job, Schlozman served in the Justice Department's civil rights division. In 2005, he reversed the career staff's recommendations to challenge a Georgia photo-ID law that a federal judge later likened to a "modern-day poll tax."

I will help add to this because this is becoming a Hydra of sorts....


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MagickMuffin (1000+ posts)

Sat Apr-28-07 08:32 AM

Response to [Reply #102](#)

103. here's the link to the Senate's Investigation into GPOs

<http://judiciary.senate.gov/hearing.cfm?id=236>

in my post above the link is only to Mark McKenna's opening statement.

U.S. Sen. Herb Kohl of Wisconsin co-authored legislation that would have strictly regulated GPOs like Novation.


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AikidoSoul (1000+ posts)

Sat Apr-28-07 09:45 AM

Response to [Reply #102](#)

104. 3 Sen. judiciary panel members quietly worked to "avoid increased regulation" of Novation & GE!

<http://www.prweb.com/releases/2005/11/prweb315878.htm>

Excerpts are out of order:

Newspaper Exposes Novation and GHX Scheme to Monopolize Hospital Supplies

Ft. Worth Texas Newspaper that exposed MCI Worldcom fraud features Medical Supply Chain's lawsuit against GE and Novation's monopolization of hospital supplies.

<<<<<<SNIP>>>>>>

." Pablo Lastra's industry source stated; 'The merger means Novation has jumped in bed with its largest rival' in the \$200 billion plus yearly healthcare supply market.

<<<<<<SNIP>>>>>>

On July 11th, 2005, Jeffrey Hill, a correspondent for The Hill, The Newspaper For and About Congress, reported that judiciary panel members, Senators Jon Kyl (R-Arizona), Charles Schumer (D-New York), and Sam Brownback (R-Kansas) a GOP presidential hopeful, CONDUCTED A SERIES OF BEHIND-THE-SCENES TALKS AND PLAN TO OFFER THEIR SUPPORT TO THE GPOs' VOLUNTARY DISCLOSURE GUIDELINES AND AVOID INCREASED REGULATION TO COMBAT GE AND NOVATION'S MONOPOLIZATION OF MEDICAL DEVICES, DRUGS AND OTHER PRODUCTS HOSPITALS PURCHASE. MSC's lawsuit alleges Novation and its co-conspirators artificially inflate medical supply costs through their monopoly. (EMPHASIS ADDED)

<<<<<<SNIP>>>>>>

"On November 7th, 2005, the law firm of Milberg Weiss filed a Delaware shareholder lawsuit seeking to stop the merger. MSC CEO Samuel Lipari was interviewed about MSC's anti-trust lawsuit which covers the merger between GE (GHX) and Novation (Neoforma) seeking \$1.5 billion in damages from Novation, Neoforma, and their executives, as well as GE, US Bank and investment firm Piper Jaffray. MSC is represented by Bret Landrith in Topeka, KS.

<<<<<<<<SNIP>>>>>>>>>>

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MagickMuffin ✨ (1000+ posts) 📁 📧 📧 📧 📧 📧

Sat Apr-28-07 10:20 AM
Response to [Reply #104](#)

106. here's MORE:



"Second US Attorney Death in Novation Medicare Fraud Case"

US Attorney Shannon Ross, the second death in the Ft. Worth, TX US Attorney office connected to the government's investigation of Novation, GE and other GHX members for Medicare fraud

Kansas City, MO (PRWEB) September 17, 2004 -- **Assistant US Attorney for Texas, Shannon Ross died on Monday September 13th, 2004. Shannon Ross, who supervised 70 US Justice Department prosecutors, had issued the criminal subpoenas to healthcare suppliers General Electric in addition to other members of GHX, LLC that do business with Novation, the largest healthcare GPO, under the investigation that sparked the New York Times article "Wide U.S. Inquiry Into Purchasing For Health Care" on Saturday August 21, 2004.**

Sam Lipari, President of Medical Supply Chain, Inc. stated that Ms. Ross was a courageous believer in the rule of law and that the Ft. Worth, TX Office of the US Attorney was the first to actually obtain manufacturer records and compare them to the monopolist suppliers and their client hospitals. Medical Supply Chain, Inc. has alleged that Medicare is overcharged by sum 40% through Sherman Act prohibited supplier cartels in the \$1.8 Trillion dollar healthcare industry and is civilly prosecuting Novation's joint venture partners GE and US Bancorp Piper Jaffray for conspiring to keep its more efficient web based marketplace from providing lower cost products to hospitals.

Shannon Ross' death was preceded by the death of Thelma Quince Colbert on July 20th, also of the Ft. Worth US Attorney's office and the head of a special civil litigation unit that prosecuted companies for defrauding government-funded programs.

<http://www.emediawire.com/releases/2004/9/emw158950.htm>

Also let it be known that I think this is way to important to be just one thread, therefore I started a simiular thread in GDP, A Cross Pollination

<http://www.democraticunderground.com/discuss/duboard.ph...>

SPREAD THE SEEDS OF INFORMATION FAR AND WIDE, BABY!

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AikidoSoul (1000+ posts) 📁 📧 📧 📧 📧 📧

Sat Apr-28-07 10:16 AM
Response to [Reply #102](#)

105. Why do they call him "honorable" Sen. Shumer?



Edited on Sat Apr-28-07 10:44 AM by AikidoSoul

Shumer worked with at least two other senators to keep competition from being allowed so these GPOs could continue to rip off taxpayers. Shumer is the only one of them that I could find comments from in this April 2002 Committee on the Judiciary hearing entitled: "HOSPITAL GROUP PURCHASING: LOWERING COSTS AT THE EXPENSE OF PATIENT HEALTH AND MEDICAL INNOVATION? "

http://judiciary.senate.gov/member_statement.cfm?id=236...

SHUMER QUOTE:

"Government shouldn't jump in with fixes to problems that industry can clean up on its own. That's why I'm so pleased to hear that the GPOs have committed to creating their own code of conduct which, we trust, will resolve the concerns that have been raised about the ways GPOs operate.

Mr. Chairman, I know that you share my view on that issue and I believe that holding this hearing, focusing attention on these issues, and taking a constructive approach to solving the problems you're highlighting here is just the kind of limited government intervention that serves our constituents well."

Poster comment:

Just another example of how these senators are aiding and abetting the criminal exploitation of Medicare and American taxpayers. This story should have been much, much bigger and it should be re-visited. This is a corruption scandal of huge proportions with many billions of dollars involved. No wonder Gonzales/Bush wanted to get rid of the prosecuting attorneys in those states that were investigating fraud against the government and medicare. To top it off - - when Gonzales was in private practice he partnered with a law firm that represented the huge GPO Novation!!!

For these guys service means ripping off the public to enrich their rich friends, and to destroy anyone who stands in their way.

Their purported role to protect and represent the citizenry as our "guardians" of justice and Democracy--is a complete scam.





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MSC2007 (103 posts)    

Sun Apr-29-07 08:50 PM
Response to [Reply #102](#)

156. Excellent Post!

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Mme. Defarge (1000+ posts)    

Sat Apr-28-07 12:28 PM
Response to [Original message](#)

107. Preaching to the choir here ...



I am more than a little dismayed that breastfeeding seems to be a more compelling topic than this.

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MSC2007 (103 posts)    

Sat Apr-28-07 12:48 PM
Response to [Original message](#)

108. I was invited to participate!

I am new at this and could use some guidance on how all this works? SL

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mike_c ☆ (1000+ posts)    

Sat Apr-28-07 01:30 PM
Response to [Reply #108](#)

109. welcome to DU, sir....



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Mme. Defarge (1000+ posts)    

Sat Apr-28-07 01:39 PM
Response to [Reply #108](#)

111. Merci Mille Fois



Monsieur Lipari! Welcome to the DU and to our discussion.

I regret to say that interest in this topic on the DU seems to have taken a back seat to "breastfeeding." Perhaps your presence will revive it.

At any rate, I invite you to make comments on what has been posted so far to help shed light on what appears to be a corruption case of staggering proportions. Elaborate or correct as you deem appropriate.

And, again, thank you so much for joining us.



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MSC2007 (103 posts)    

Sat Apr-28-07 02:41 PM
Response to [Reply #111](#)

125. Thanks!

I would love to join you but I have previous commitments this afternoon. I may have time late this evening or tomorrow afternoon/evening. It appears from all of your posts that many of you have an excellent understanding of the issue. My web-site www.MedicalSupplyChain.com news page should answer most of your questions or concerns. I will elaborate where I can and when I can. For the record, all of the members of the judicial committee were notified about this years ago and absolutely nothing has been done. It seems this corruption in healthcare is Washington's dirty little secret. The surveillance continues, interruptions to my Internet connections continue etc. I did provide answers to several questions from Little Tom that I don't see posted yet. I have a wealth of information to share with you. Until then, best regards. S~

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Mme. Defarge (1000+ posts)    

Sat Apr-28-07 02:51 PM
Response to [Reply #125](#)





127. Sacre bleu!



"The surveillance continues"!

Go with God, mon ami. And check back in with us soon.

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MADem ☆ (1000+ posts)    

Sat Apr-28-07 01:40 PM
Response to [Reply #108](#)

112. Just hit the old "reply" at the bottom right of the post you want to respond to







...and you're off to the races. Weigh in!!

If you've gone away, and come back and want to see if anyone has responded to your post, check "MY DU" (see those icons at the top of the page--the one with the page and the blue human) and you'll be able to tell if anyone has replied to you.

Welcome aboard.

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proud2BlibKansan ☆ (1000+ posts)    

Sat Apr-28-07 01:49 PM
Response to [Reply #108](#)





116. Welcome! I am in KC and would love to meet you!



What a horrible story!

If you are free this afternoon, come by Theiss Park at Brush Creek and Oak for our Impeachment Day event. 4:00.

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GregD ☆ (1000+ posts)    

Sat Apr-28-07 01:53 PM
Response to [Reply #108](#)

117. Hello, and welcome. Any relation to Bo Lipari of New York?



Bo is a voting rights activist.

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MSC2007 (103 posts)    

Sun Apr-29-07 09:05 PM
Response to [Reply #117](#)

157. Not That I Know Of

I am third generation from Italy. There are quite a few Lipari's in Kansas City and a Ton of Family. S~

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MagickMuffin ☆ (1000+ posts) 

Sat Apr-28-07 05:39 PM

Response to [Reply #108](#)

139. Welcome to DU



Thanks for joining the discussion. I was floored when I started reading about this last night. I immediately started doing research to try and add to the subject. The more you search the more exposure this needs.

I started a topic in General Discussion Politics, to help spread this story along.

I kind of have started to refer to cross posting as a cross pollination of sorts. So, SPREAD THE SEEDS OF KNOWLEDGE, to help these stories blossom into more info getting out there to where it is just to hard to ignore...

<http://www.democraticunderground.com/discuss/duboard.ph...>

It is appalling that OUR congress critters would keep the healthcare system at bay for us average citizens, WHILE THEY HAVE THE BEST MEDICAL CARE AVAILABLE ON THE PLANET 🤬

Sorry for shouting, but damnit I don't have insurance. I can't go in for a mammogram because of this as well as having just a yearly checkup. But every one of OUR elected officials gets excellent healthcare that we GIVE to them....

Oh well, once again welcome and thanks for standing up to power..... 💡

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proud2BlibKansan ☆ (1000+ posts) 

Sat Apr-28-07 01:46 PM


Response to [Original message](#)

115. Todd Graves is Sam Graves' brother



Sam Graves is a HUGE repuke bush ass kisser and a US Congressman from MO. So I can't imagine Todd being on the list to be fired OR going out of his way to help Lipari.

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leftchick ☆ (1000+ posts) 

Sat Apr-28-07 02:16 PM

Response to [Reply #115](#)

122. Todd Graves has not said he was pressured out in 2006

It seems he is covering for the AG....

<http://www.democraticunderground.com/discuss/duboard.ph...>

Documents are said to name 4 who were reviewed, not fired.

WASHINGTON -- Senior congressional aides who have seen unedited internal documents say the Bush administration considered firing at least a dozen U.S. attorneys before settling on eight late last year.

The four who escaped dismissal came from states that the White House considered political battlegrounds in the last presidential election: Missouri, Minnesota, Pennsylvania and Wisconsin.

~snip~

The congressional aides, who asked not to be identified because they weren't authorized to discuss the information publicly, on Friday confirmed to McClatchy Newspapers that former U.S. Attorney Todd Graves of Kansas City, Mo., and U.S. Attorney Thomas Marino of Scranton, Pa., were among the 12 whose jobs were in jeopardy.

~snip~

Graves said Friday he was surprised to learn that he'd been considered a possible target for dismissal, but he expressed relief that he was no longer with the Justice Department.

"The current environment at the department can only be described as toxic. ... What is going on now in D.C. is a three-ring circus, and I don't want anything to do with it," he told the Kansas City Star.

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Kutjara ☆ (1000+ posts)    

Sat Apr-28-07 01:57 PM
Response to [Original message](#)




118. K &R this critical topic.



Incredible piece of sleuthing, GO. No wonder our Republican overlords don't want universal healthcare, a gravytrain this huge is far too lucrative to consider derailing. I wonder how many other aspects of medical care are ruled by anticompetitive practices? My guess would be most of them. If the military can pay \$300 for a hammer, I'm sure hospitals wouldn't balk at \$300 tongue depressors (particularly when they can pass the cost straight on to the patient - marked up of course).

The fact that BushCo's slimy fingers are all over this is the least surprising part. I just hope I'm not in hospital when Cheney needs his inevitable heart transplant; I might suffer fatal complications if I happen to be a match.

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phoebe (1000+ posts)   





Sat Apr-28-07 02:03 PM
Response to [Original message](#)

119. more on the octopus that this uncovers - the Blunts need to be subpoenaed NOW



<http://www.democraticunderground.com/discuss/duboard.ph...>

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Mme. Defarge (1000+ posts)    

Sat Apr-28-07 02:16 PM
Response to [Reply #119](#)





121. Formidable, Phoebe!



Edited on Sat Apr-28-07 02:18 PM by Mme. Defarge

C'est magnifique! You are a detective par excellence. Snoop on, mon amie.

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AndyTiedye (1000+ posts)    





Sat Apr-28-07 02:35 PM
Response to [Reply #119](#)

124. Kickety Kick and I'd Recommend if I Could (But DU Won't Let Me, Says it's Too Old)

Edited on Sat Apr-28-07 02:36 PM by AndyTiedye



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Kali ☆ (1000+ posts)    

Sat Apr-28-07 02:21 PM
Response to [Original message](#)

123. wow



Just wow.

Thanks Mr. Lipari for fighting. Thanks GO for the fantastic work and everybody else who is contributing to this. DU - what "they" are afraid of. Collaborative truth gathering and disseminating.

WOW.

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flyarm ☆ (1000+ posts)    

Sat Apr-28-07 02:43 PM
Response to [Original message](#)

126. PLEASE LOOK INTO TENET HOSPITALS!! SEE THIS..

JOURNAL UPDATED

<http://www.ect.org/category/tenet-other-bad-boys/> /

LOOK INTO REDDING HOSPITAL CALIF..

AND THE OWNERS IN TEXAS WHO WERE RUNNING MENTAL HEALTH FACILITIES AND COMMITTING CHILDREN AND RUNNING OUT THEIR MEDICAIDE...SAME PEOPLE BOUGHT AND RAN REDDING HOSPITAL ..AND DOING BOGUS BYPASS SURGERIES...

NOW LOOK AT THIS I FOUND IN MISSOURI..

<http://www.ect.org/category/tenet-other-bad-boys/> /

Tenet Health Care Corporation and other examples of corporate hooliganism

Why is Tenet Healthcare Corporation featured so prominently on a website devoted to the topic of ECT? Because when you threaten me with SLAPP lawsuits and try to intimidate me into backing down, this is what you get. I don't back down. I change my name to David.

Welcome to all the disgruntled Tenet employees! Please feel free to leave your stories anonymously and with safety. Special note to Tenet execs and their oh-so-scary lawyers at Bryan Cave: I deliberately do not keep any records of IP addresses of posters in this section, so don't waste your time, big boy.

Tenet owns a number of hospitals in the St. Louis area. Oddly enough, *every* forced shock case that I've taken on in St. Louis has involved a Tenet hospital (and usually Ricky Mofsen, who signs his name MD when he's a DO). That's how I became acquainted with this organization, and they didn't appreciate my efforts to stop Mofsen from shocking elderly ladies against their wills.

And now I show my appreciation by sharing this information.

Eli Lilly, the big bully

Category: News and Hall of Shame and Tenet & Other Bad Boys

As many of you know, a few years ago I battled Tenet Healthcare Corporation in the case of Kathleen Garrett, an elderly woman who was being forcibly shocked at a St. Louis Tenet-owned hospital. They tried to threaten and bully me into silence with threats of lawsuits, etc. I now keep track of Tenet's bad behavior (and it's really quite bad) on this website. It seems that Eli Lilly is using the same tactics, what are called SLAP lawsuits, in their effort to shut activists up about the dangers of the drug Zyprexa. But they've actually filed lawsuits against Mindfreedom.org and a number of activists. Read all about it and spread the word! Find out what Eli Lilly doesn't want you to ... (more...)

Added: Feb 7, 2007 2:24 pm | [Comment](#) | [Email This Post](#) | [Print](#)

AND UNDERSTAND THE GUY WHO JUST QUIT..CONDI'S GUY..WAS A FORMER CEO OF ELI LILLY!!

MAYBE THIS IS USEFUL..MAYBE NOT..JUST THOUGHT I WOULD THROW THIS IN..

FLY

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flyarm ☆ (1000+ posts) 

Sat Apr-28-07 02:55 PM
Response to [Reply #126](#)

128. AND SEE HOW THIS HOOKERGATE TIES WITH THE U.S.ATTORNEY PURGE

JOURNAL UPDATED

FROM MY FILES...FLY:

DAILY BRIEFING
October 19, 2006
DHS extends contract with controversial limousine service
From CongressDaily

The Homeland Security Department has renewed a contract with a limousine service that was under investigation for allegedly providing prostitutes to public officials through a bribery ring.

DHS spokesman Larry Orluskie confirmed Thursday the department has extended its contract with Shirlington Limousine and Transportation Inc. of Arlington, Va., for one year.

The FBI earlier this year investigated whether military contractors linked to former Rep. Randy (Duke) Cunningham, R-Calif. arranged for the company to provide prostitutes for him and other lawmakers. Cunningham pleaded guilty last fall to taking \$2.4 million in bribes from military contractors.

"The fact that the department is instead renewing this contract in the face of everything we now know shows how resistant this administration is to any effort that would return a sense of

responsibility and accountability to Washington," said House Rules ranking member Louise Slaughter, D-N.Y.

Orluskie said the department is only extending the contract until it lets a new contract to provide transportation.

This document is located at <http://www.govexec.com/dailyfed/1006/101906cdpm2.htm>

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XX
Rice Deputy Quits After Query Over Escort Service - washingtonpost.com

<http://www.washingtonpost.com/wp-dyn/content/article/20...>

Rice Deputy Quits After Query Over Escort Service
Randall Tobias Oversaw U.S. Foreign Aid Programs

By Glenn Kessler
Washington Post Staff Writer
Saturday, April 28, 2007; A01

SNIP:

Randall L. Tobias, the deputy secretary of state responsible for U.S. foreign aid, abruptly resigned yesterday after he was asked about an upscale escort service allegedly involved in prostitution, U.S. government sources said.

Tobias resigned after ABC News contacted him with questions about the escort service, the sources said. ABC News released a statement last night saying Tobias acknowledged Thursday that he had used the service to provide massages, not sex.

Tobias has been Secretary of State Condoleezza Rice's point man in an ambitious effort to overhaul how the U.S. government manages foreign aid, a key part of her "transformational diplomacy" agenda. Just two days ago, President Bush lauded Tobias for his work in the administration leading "America's monumental effort to confront and deal with the HIV/AIDS epidemic on the continent of Africa."

Contacted last night at his home in the District, Tobias, a former chief executive of pharmaceutical giant Eli Lilly & Co., declined to discuss the circumstances of his resignation, saying he would "stick with the statement the State Department released today."

According to ABC News, Tobias said he contacted the escort service "to have gals come over to the condo to give me a massage" and that there had been "no sex" involved.

In a memo yesterday to the USAID staff, James R. Kunder, acting deputy USAID administrator, called the resignation "shocking news" and urged workers not to be "distracted from our developmental and emergency work."

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Mme. Defarge (1000+ posts)    

Sat Apr-28-07 03:07 PM
Response to [Reply #128](#)

129. And don't forget Rummy



<http://money.cnn.com/2005/10/31/news/newsmakers/fortune...> /

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phoebe (1000+ posts)    

Sat Apr-28-07 03:56 PM
Response to [Reply #129](#)

130. more on Blunt's pick for Insurance Dept. head ties into price fixing med. insurance/law suits



Edited on Sat Apr-28-07 03:57 PM by phoebe
<http://www.showmenews.com/2005/Jan/20050122News005.asp>

snip

Insurance industry officials and campaign contributors helped new Gov. Matt Blunt choose a nominee to lead the Missouri Department of Insurance.

Early this month, Blunt nominated Dale Finke of St. Louis as the next director of the agency, which is charged with regulation of the insurance industry in the state and provides consumer protection to the insurance-buying public.

snip

Angoff, a Columbia resident, said he's never heard of a process in which a candidate for insurance director would be interviewed by people he would later be responsible for regulating

snip

Spence Jackson, a spokesman for Blunt, declined to give details about the committee. When asked whether it is usual for registered lobbyists to serve as gatekeepers in the appointment of Cabinet nominees, Jackson declined comment.

will do more digging but need to leave for a while -
everyone here - great job - keep the pressure on these bastards...

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flyarm ☆ (1000+ posts) 

Sat Apr-28-07 04:07 PM

Response to [Reply #129](#)

132. DON'T FORGET G.H.* ON BOARD OF ELI LILLY!! AND KEN LAY ON BOARD AS WELL!!

JOURNAL UPDATED

Edited on Sat Apr-28-07 04:14 PM by flyarm

<http://zmagzsite.zmag.org/May2004/levine0504.html>

AND THIS AS WELL..SNIP:

In 2002, Eli Lilly flexed its muscles at the highest level of the U.S. government in an audacious Lillygate. The event was the signing of the Homeland Security Act, praised by President George W. Bush as a "heroic action" that demonstrated "the resolve of this great nation to defend our freedom, our security and our way of life." Soon after the Act was signed, New York Times columnist Bob Herbert discovered what had been slipped into the Act at the last minute and on November 25, 2002, he wrote, "Buried in this massive bill, snuck into it in the dark of night by persons unknown...was a provision that—incredibly—will protect Eli Lilly and a few other big pharmaceutical outfits from lawsuits by parents who believe their children were harmed by thimerosal."

SNIP:


Looking back further to 1992, Alexander Cockburn, in both the Nation and the New Statesman, was one of the first to connect the dots between the Bush family and Eli Lilly. After George Herbert Walker Bush left his CIA director post in 1977 and before becoming vice president under Ronald Reagan in 1980, he was on Eli Lilly's board of directors. As vice president, Bush failed to disclose his Lilly stock and lobbied hard on behalf of Big Pharma—especially Eli Lilly. For example, Bush sought special tax breaks from the IRS for Lilly and other pharmaceutical corporations that were manufacturing in Puerto Rico.

Cockburn also reported on Mitch Daniels, then a vice president at Eli Lilly, who in 1991 co-chaired a fundraiser that collected \$600,000 for the Bush-Quayle campaign. This is the same Mitch Daniels who in 2001 became George W. Bush's Director of Management and Budget. In June 2003, soon after Daniels departed from that job, he ran for governor of Indiana (home to Eli Lilly headquarters). In a piece in the Washington Post called "Delusional on the Deficit," Senator Ernest Hollings wrote, "When Daniels left two weeks ago to run for governor of Indiana, he told the Post that the government is 'fiscally in fine shape.' Good grief! During his 29-month tenure, he turned a so-called \$5.6 trillion, 10-year budget surplus into a \$4 trillion deficit—a mere \$10 trillion downswing in just two years. If this is good fiscal policy, thank heavens Daniels is gone."

There is one Eli Lilly piece of history so bizarre that if told to many psychiatrists, one just might get diagnosed as paranoid schizophrenic and medicated with Zyrprexa. Former State Department officer John Marks in The Search for the "Manchurian Candidate": The CIA and Mind Control, The Secret History of the Behavioral Sciences (1979)—along with the Washington Post (1985) and the New York Times (1988)—reported an amazing story about the CIA and psychiatry. A lead player was psychiatrist D. Ewen Cameron, president of the American Psychiatric Association in 1953. Cameron was curious to discover more powerful ways to break down patient resistance. Using electroshock, LSD, and sensory deprivation, he was able to produce severe delirium. Patients often lost their sense of identity, forgetting their own names and even how to eat. The CIA, eager to learn more about Cameron's brainwashing techniques, funded him under a project code-named MKULTRA. According to Marks, Cameron was part of a

small army of the CIA's LSD-experimenting psychiatrists. Where did the CIA get its LSD? Marks reports that the CIA had been previously supplied by the Swiss pharmaceutical corporation Sandoz, but was uncomfortable relying on a foreign company and so, in 1953, the CIA asked Eli Lilly to make them up a batch of LSD, which Lilly subsequently donated to the CIA.

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GregD ☆ (1000+ posts) 


Sat Apr-28-07 04:42 PM
Response to [Reply #126](#)

138. I have a contact at the hospital in Redding



The USA who was investigating that case was fired, if I understand correctly. Let me know if you have questions and I'll see what I can do to get answers.

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Oilwellian ☆ (1000+ posts) 

Sat Apr-28-07 04:01 PM
Response to [Original message](#)

131. Wow, a second wind



Edited on Sat Apr-28-07 04:09 PM by George Oilwellian

Hi everyone and thanks to those who PM'd me after my last post. I was a little disheartened to see the thread sink and taken off of the front page so quickly. Thank you to everyone who's kept this important issue going.

Mr. Lipari, I'm so glad to see you have joined us and look forward to reading your answers on Little Thom's blog. I hope everyone takes a moment and calls Leahy and apparently Schumer's office on Monday to put the pressure on. I can't believe Schumer is all for the GPO's to "police" themselves where this issue is concern. Schumer, we're onto you and won't let up until something is done to end this theft of the American taxpayers. WHY haven't the insurance companies screamed bloody murder about the overcharging of hospital supplies????

On edit: I have to step back out for a while but will check back in later this evening. I want to investigate more on the Senate Judiciary's hearings on this issue.

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Disturbed (1000+ posts) 

Sat Apr-28-07 04:33 PM
Response to [Reply #131](#)

137. Yet another reason Gonzo needs to be Impeached.



The deep corruption of the Busholini Regime has to be exposed in public.

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MSC2007 (103 posts) 


Sun Apr-29-07 03:42 PM
Response to [Reply #131](#)

154. George Oilwellian

George Oilwellian ask "WHY haven't the insurance companies screamed bloody murder about the overcharging of hospital supplies?????"

Insurance companies make the same admin fee % for managing health insurance programs regardless. They benefit from higher cost. Meanwhile technology is creating greater efficiencies and lowering the actual overhead for insurance companies.

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Oilwellian ☆ (1000+ posts) 

Sun Apr-29-07 10:38 PM
Response to [Reply #154](#)

161. Thanks for answering my question



I have one more question, and you may find it a bit difficult to answer, but I've been wondering, did you know the two asst. US attorneys who died? And if you did, can you tell us a little bit about them?

Thank you so much for participating in our discussion and helping us understand the gross injustice surrounding your case.

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MSC2007 (103 posts) 

Tue May-01-07 01:33 PM
Response to [Reply #161](#)

172. Answer:

<http://tomflocco.com/fs/DeathsFoulPlayQuestions.htm>

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fooj (1000+ posts)     

Sat Apr-28-07 04:17 PM
Response to [Original message](#)

133. Poppy was on the Board of Directors for Eli Lily...

Rummy was CEO of Searle when they KNOWINGLY released ASPARTEME into the population.

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flyarm ☆ (1000+ posts)     

Sat Apr-28-07 04:28 PM
Response to [Reply #133](#)

136. oh and ASPARTEME never went through testing..before going on market!! eom

JOURNAL UPDATED

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flyarm ☆ (1000+ posts)     

Sat Apr-28-07 04:27 PM
Response to [Original message](#)

135. MSC2007 HEY ..I USED TO LIVE IN LEE'S SUMMIT!!

JOURNAL UPDATED

by a big lake with rain...and trees..(code)

glad you came to DU!!

fly






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MSC2007 (103 posts)     

Sun Apr-29-07 09:19 PM
Response to [Reply #135](#)

158. Know the place well.

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phoebe (1000+ posts)     

Sat Apr-28-07 10:54 PM
Response to [Original message](#)

143. more to be found here

<http://tomflocco.com/fs/UsAttDeathsFirings.htm>

snip






Lam's California Medicare case was serious enough that Alvarado's parent corporation, Tenet Healthcare, reportedly agreed to sell or close down the hospital and pay \$21 million to settle criminal and civil charges brought by the now fired San Diego U.S. attorney.

According to the Kansas City Western District case, nearly all of St. Luke hospital's \$100 million supply budget was being purchased through Novation LLC, then St. Luke's merged with University of Kansas Hospital after CEO Irene Cumming of Kansas City Hospital was given a job by University Health System Consortium on March 19, 2007.

Lam played a central role in the firings scandal because she was reportedly conducting testimony before grand juries linking indicted former Bush CIA Executive Director Kyle "Dusty" Foggo and convicted Republican lobbyist Jack Abramoff to a Capitol Hill sex ring, Israeli espionage, GOP Under Secretary of Defense for policy Douglas J. Feith, a forged British intelligence dossier used by Mr. Bush to deceive Americans into supporting war against Iraq and an attempt to plant weapons of mass destruction (WMD) in Iraq before the war via an intelligence pipeline through Dubai and Turkey

apologies if this has already been posted. It does offer a fairly simple outline for part of the story

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phoebe (1000+ posts)     

Sat Apr-28-07 11:11 PM
Response to [Reply #143](#)

145. - what Mr. Lipari and the 2 dead attorneys were up against



Edited on Sat Apr-28-07 11:12 PM by phoebe
<http://www.medicalsupplychain.com/pdf/United%20States%20...>

snip

12. The GE (General Electric) Defendants omitted material evidence in order to mislead the Western District of Missouri...

snip

13. The full trial appearance docket, not the selectively edited or altered one filed by the GE Defendants reveals the GE Defendants failure to appear in a scheduled court hearing or to timely reply to motions despite appearing and filing motions to dismiss..

snip

18. a July 2nd, 2005 Los Angeles Times article stated 1/3 of the Missourians losing coverage are children: "An estimated 24,000 children are expected to lose their benefits, dental coverage is being cut for adults, and disabled people are losing coverage for crutches and other aids."

Oxygen tanks were also to be removed from coverage and Matt Blunt had "no choice but to cut benefits to its (Missouri's)most needy and vulnerable citizens."

Entire document spells out quite plainly what Mr. Lipari was up against..and we should keep this issue boiling..

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Mme. Defarge (1000+ posts)



Sun Apr-29-07 12:35 AM
Response to [Reply #145](#)

148. Merde alors!



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wildbilln864 (1000+ posts)



Sat Apr-28-07 11:04 PM
Response to [Original message](#)

144. kick! n/t



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juno jones (1000+ posts)



Sun Apr-29-07 12:28 AM
Response to [Original message](#)

147. can't rec, will kick ! n/t



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Nite Owl (1000+ posts)



Sun Apr-29-07 12:22 PM
Response to [Original message](#)

149. Kicking



Can the OP be copied and started in a new thread with a link to this one so it can get more attention and recs?

Very important info for more to see!

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WillyT ☆ (1000+ posts)     

Sun Apr-29-07 12:37 PM
Response to [Original message](#)

150. TPMuckRaker On Schlozman !!!







Link: <http://www.tpmuckraker.com/mt/mt-search.cgi?search=Sch...>

Must Read!!!

K & R !!!

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ramblin_dave ☆ (1000+ posts)    

Sun Apr-29-07 01:03 PM
Response to [Original message](#)

151. Mark Crispin Miller explains the US Attorney purge (video)

<http://www.youtube.com/watch?v=KerwQWpBBIIs>

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KittyWampus ☆ (1000+ posts)    

Sun Apr-29-07 02:14 PM
Response to [Original message](#)

152. kick



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MSC2007 (103 posts)    

Sun Apr-29-07 03:24 PM
Response to [Original message](#)

153. I will begin correcting a few misunderstandings:





1st point:

Estimated savings of \$80 Billion a year is based on a 40% savings of the total annual spend at that time (2000) of \$200 Billion, it is actually more now. There are existing health system models that utilized the MSC program (eliminate GPO's) and have documented this % of savings.

2nd point:

The USA Patriot Act was used to prevent deposits into escrow accounts. US Bank would not allow MSC to deposit its capitalization funds after they committed to providing the escrow accounts.

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Raksha ☆ (1000+ posts)    

Sun Apr-29-07 10:21 PM
Response to [Reply #153](#)





160. Welcome to DU, Mr. L!



I just want you to know I've been following this story since it was first posted here, and your participation is much appreciated.



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DemReadingDU ☆ (1000+ posts)    

Mon Apr-30-07 07:08 AM
Response to [Reply #153](#)





163. Thank you for posting!



and welcome!



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Oilwellian ☆ (1000+ posts)    

Sun Apr-29-07 10:21 PM
Response to [Original message](#)

159. Little Thom's blog posts Mr. Lipari's answers to his questions



George Oilwellian over at Democratic Underground has kept this discussion (here too) alive for some days now, and I see Mr. Lipari himself chimed in over there. He mentioned that he had answered my questions but that I hadn't posted them yet. Well, here they are. I would have

rather had a bit more time to sum things up afterwards, but I can do that later on today or tomorrow. He also sent some documents that I haven't gone through yet.

My sincere thanks to Mr. Lipari for his time

Mr. Lipari:

I think I understand the gist of what Medical Supply Chain does, but can you give somebody new to the story your description?

We automate the purchasing and replenishing of supplies for hospitals. Our software creates an electronic marketplace that includes all potential suppliers, the opposite of what happens now. Hospitals save money from the continuing competition. Hospitals also save money from having to use significantly less labor to order and pay for their supplies.

I'm a little confused about the lawsuits. How many have you filed; how many have been resolved one way or another; how many are ongoing and when were they filed?

Its just one lawsuit in reality. I started by seeking just an injunction against US Bank to keep them from preventing my first round of operating funds from being deposited in escrow accounts. By then I knew they were part of the hospital supply cartel through Piper Jaffray. I alleged the conspiracy with Novation and the rest but the law did not require me to make the rest defendants. The defense firms (including Dorsey & Whitney LLP who will figure in the Minnesota USA resignations and later Vinson & Elkins where Gonzales) were able to convince the judge that the injunction request should be dismissed because I did not make the other conspirators defendants. From this gross error onward no decision in federal court has ever reflected the controlling law or facts of the case. Since there were co-conspirators like GE and Neoforma I get to sue them too. I have not yet sued GHX, LLC the electronic marketplace all the competitors formed.

Courts are like legislatures. A lot of lobbying has been done since the 1970's to discourage enforcement of antitrust law. The law hasn't changed and was even adopted by the European Union. I think healthcare is so messed up that even judges are now starting to realize the law worked and its enforcement is needed.

You say USAtty Todd P. Graves was "fired." I can't find backup on that. Can you provide?

I have discovery. Everyone is entitled to that information, just tell your public servant Alberto Gonzales to give it to you and if he don't tell his boss and if Bush doesn't make it available, start the impeachment.

Unfortunately, I have to limit what I put out because I am still seeking court discovery orders. When they come it will likely be with strict protective orders. This is not a government case. Mr. Gonzales is responsible for the government's case against Novation. If you want it handled differently, find some way to communicate it to him.

Similarly, you say the three prosecutors who left the Ft. Worth office shortly after the deaths of the two others were "fired." Can you show me documentation of that?

Again, same answer. We are using the word fired for the AUSA's after the mainstream press started to use it to describe government attorneys who were invited to leave. White collar crime specialists were surplus to the Bush administration.

What was happening specifically in Ft. Worth regarding your case at the time of the death of Thelma Colbert, and again at the time of the death of Shannon Ross, and again at the time of the leaving of the three prosecutors?

Sadly, what was happening is that some people in Justice were watching the Democratic Convention on t.v. They believed in John Kerry and they thought Ashcroft wouldn't be their boss much longer and they started doing their job.

This was the government case against Novation and they were seeing how Retractable technologies was being kept out of the market by Novation. They also saw how stock in high tech IPO's (the US Bancorp Piper Jaffray connection) and money changed hands to determine which products were distributed. To this day the press releases about Novation you read are announcements of exclusive deals.

Also the AUSA's for Texas saw Neoforma that had burned through \$900 million dollars and was a publicly traded company with cooked books. Much of it money belonging to hospitals. Later when we kept going after the Justice Department got obstructed, GE had to step in and come up with the money to take Neoforma private since we were proving our case even without discovery.

I don't know what happened to the Justice department case. We are after Novation for every item they furnish to hospitals not just the few devices Justice was targeting.

You noted that the NYTimes has done two stories on Novation and GPOs in general, in 2002 and 2004, I believe. What, if any, changes to the industry came about because of that? How

much, in your mind, still needs changing?

I am a Republican and I am against increased regulation. But I have to admit private action, even when the law was clearly on our side and the defendants were press releasing and making SEC disclosures of the evidence does not work. Regulation may be the only way to deal with the corruption.

How does your lawsuit compare to Retractable Technologies ? They seem to have won. Why has that case concluded and not yours?

Retractable had been capitalized. When they were hurt by the cartel they were able to obtain great counsel, but ultimately they settled and the market and health workers exposed to the danger by Novation weren't helped. We kept going and because of the coverage in FW Weekly, the alternative press paper that broke the Enron story, Novation finally announced they would allow competing suppliers for syringes and hospitals would be allowed to buy safe needles. That's just one line item, I got several thousand more to go.

You said that USAtty Bradley Schlozman, Todd Graves' replacement, "failed to enforce civil rights laws related to the Novation LLC defendants success in getting Medical Supply Chain's counsel Bret D. Landrith disbarred." Can you explain this?
(<http://www.kscourts.org/kscases/supct/2005/20051209/943...>)

I have included articles about Mr. Landrith. We all were shocked that was happening. Now we know that like antitrust law, Justice wasn't enforcing civil rights law.

What do you say to charges, and I've just heard them recently, that you're claiming connections to the U.S. Attorney firing scandal to get publicity? Or that you're simply a "conspiracy theorist"? Or that you're "lawsuit happy"?

The judge that dismissed the federal claims now being appealed stated his personal opinion about the uncontested facts in my affidavit. I understand where he was coming from. Certainly a federal judge had to approve domestic wire tapping. About a month later Bush came forward and admitted the domestic wire tapping was being done without court orders.

You wrote on April 9, 2007: "Medical Supply Chain founder Samuel Lipari unearthed a US Department of Justice memo revealing the Office of the Attorney General had targeted not eight but ten US Attorneys including the former attorney for the Western District of Missouri, Todd P. Graves." You wrote "not eight but ten," but only named Graves. Who is the ninth USAtty? Can you share the memo?

Again same answer. Get it from Gonzales or be responsible and change out your government officials to ones that follow the law.

What is PressRelease 365? Are you writing all the releases that show up there and on PRBuzz? They don't all carry bylines.

I write or oversee all press releases coming from Medsupply. Our babysitters had word that we were planning a press release with our usual service and in the midst of changing it to meet their requirements they decided that no change we made would be acceptable. So we switched to PressRelease 365 and PR Buzz. Better service, better performance and lower rates. Competition is wonderful.

Are there still Medicare Fraud or similar cases ongoing against Novation and similar GPOs? Do you feel they are being properly acted on?

I think investigations were started. In the culture of Justice even before Bush, the doctors and hospitals were prosecuted, not the GPO's or even the big insurance administrators. The Blue Cross Blue Shield Medicare administration qui tam cases have a history of Justice protecting the big contractors so that they could make more false claims. Ultimately it's the beneficiaries of this that have the money needed for political campaigns, not the whistleblowers or efficient honest competitors.


Why isn't this story already more widely known?

I think a lot of people are starting to compare our concentrated ownership press with foreign countries and seeing the harm caused. The British Channel 4 broadcast on our site about Novation is great but then if you are old enough you remember American network tv doing real investigative reporting and you get sad because you can see it isn't happening any more.

Anything more you'd like to add that you feel people should know?

Keep on your representatives. I think blogs are influential now. During the Gonzales hearing, people started sharing on line their realization that the Judiciary committee didn't share Leahy and Specter's commitment to stop the lawlessness at Justice. When the Senators came back from lunch they realized from the feedback that we have much higher expectations of them.


<http://littlethomsblog.blogspot.com/2007/04/email-inter...>

[Printer Friendly](#) | [Permalink](#) | | [Top](#)**MagickMuffin** ☆ (1000+ posts) Sun Apr-29-07 11:53 PM
Response to [Original message](#)**162. I have a post up-thread #106 & 139 that has links to GDP**

however, for whatever reason it has been deleted 🙄

I thought of asking why, but didn't want to draw attention to this thread... I really don't understand why it got axed, I was only trying to focus as much attention to this subject as possible.

Oh well, good luck with keeping this thread alive.

[Printer Friendly](#) | [Permalink](#) | | [Top](#)**Oilwellian** ☆ (1000+ posts) Mon Apr-30-07 10:24 AM
Response to [Original message](#)**164. As an aside....**


Meanwhile, a recent GAO inquiry reveals that about 113,800 contractors working for a variety of federal agencies, including the Pentagon and the General Services Administration, have built up \$7.7 billion in unpaid taxes. This matches untidily with a March GAO report saying that more than 21,000 doctors, health professionals or **medical suppliers, collecting billions in federal Medicare dollars, simultaneously owed more than \$1 billion in federal income taxes. Federal agencies either have to rely on their hired contractors and medical providers to disclose what they owe the IRS, or dig out the data elsewhere in public record disclosures of the debts, said the GAO report.** It goes on to explain that the IRS does not file public liens on the property of all tax debtors, nor does it have a central file where federal agencies can obtain those liens.

Since much of what the federal contractors owe the IRS arises from withholding taxes for employees, said the GAO, they actually gain a competitive advantage over other contractors from not paying. That results from the tax-delinquent contractors having more money readily available so they can post lower bids for federal work, the GAO inquiry revealed.

But the GAO said that neither the federal agencies hiring contractors nor federal officials paying out Medicare fees to its doctors, health professionals or medical suppliers have the legal tools to collect back taxes owed by them. The Internal Revenue Service is not permitted to communicate with other federal agencies about what taxes federal contractors or medical suppliers and doctors receiving Medicare fees owe. Federal law, the GAO concluded, needs enhancing to make sure the IRS and federal agencies have sufficient tools to ensure that federal contractors and Medicare doctors don't owe back taxes. "With the serious fiscal challenges facing our nation, the status quo is no longer an option."



http://www.truthout.org/docs_2006/043007J.shtml

Wow, they get the best of both worlds, eh?

[Printer Friendly](#) | [Permalink](#) | | [Top](#)**phoebe** (1000+ posts) Mon Apr-30-07 11:59 AM
Response to [Reply #164](#)**165. obviously this loophole has been studiously ignored by the politicians**

for years or they would have done something - pay offs from the corporations have always been too irresistible for the greedy and ethically challenged...

thanks for the links on Lipari - great stuff..

[Printer Friendly](#) | [Permalink](#) | | [Top](#)**catchnrelease** ☆ (215 posts) Mon Apr-30-07 12:48 PM
Response to [Original message](#)**166. kick**[Printer Friendly](#) | [Permalink](#) | | [Top](#)**phoebe** (1000+ posts) Mon Apr-30-07 01:09 PM
Response to [Original message](#)**167. more Gonzales corruption - refusing to hear case against Halliburton and bribery**



Edited on Mon Apr-30-07 01:10 PM by phoebe

www.knowthecandidates.org/ktc/BushGang/albertogonzalese...

snip

In 1999, a Halliburton employee had won a \$2.6 million trial verdict due to allegations that a company supervisor framed him to test positive for cocaine, only to see the verdict overturned by a Texas Court of Appeals. **Just before the Texas Supreme Court ruled on the case, Halliburton gave a number of contributions to the Justices, including \$3000 to Alberto Gonzales. None of the Justices recused themselves from the case and the Court refused to hear the appeal against Halliburton.**

Making the Gonzales conflict even more controversial is the fact that before being appointed to office, Gonzales had been a partner at the law firm Vinson & Elkins, L.L.P. in Houston which had Halliburton as a major client. And Gonzales worked in the section where Halliburton was represented where he had a strong relationship with the firm.




snip

Following are excerpts from The Fort Worth Star-Telegram of July 29, 2000 with more details: "When a personnel dispute between Dallas-based Halliburton Co. and a fired employee reached the Texas Supreme Court last summer, something else landed in Austin as well: \$5,000 in campaign contributions to three justices.

During the four months that the case was before the nine-member high court, a Halliburton subsidiary and a top executive made four donations, records show. They were the company's only donations to the court in 1999, according to an analysis by a judicial reform group.

In December, the court decided not to hear the case, letting stand a lower court ruling that erased a \$2.6 million verdict against Halliburton..

The Cheney/Halliburton campaign-money trail paints part of the political picture. The Star-Telegram analyzed campaign records in databases managed by the Montana-based National Institute on Money in State Politics, the Texas Ethics Commission and the Texans for Public Justice, an Austin-based nonpartisan group that advocates for judicial reform.




[Printer Friendly](#) | [Permalink](#) | [Top](#)phoebe (1000+ posts)   

Mon Apr-30-07 04:06 PM

Response to [Reply #167](#)**168. no wonder we have no bid contracts and rampant corruption re:**

Iraq - Halliburton just pays off its detractors/judges..

not as if this isn't painfully obvious but another way to kick this thread

[Printer Friendly](#) | [Permalink](#) | [Top](#)L. Coyote (1000+ posts)   




Mon Apr-30-07 04:27 PM

Response to [Original message](#)**169. Kicking with a recommended and related DU Thread**

Email-Gate FACTS: Felons, georgewbush.com, gwb43.com , et. al.

<http://www.democraticunderground.com/discuss/duboard.ph...>[Printer Friendly](#) | [Permalink](#) | [Top](#)MSC2007 (103 posts)   

Tue May-01-07 10:11 AM




Response to [Original message](#)**170. Up Date:**<http://www.tomflocco.com/fs/UsAttDeathsFirings.htm><http://tomflocco.com:80/fs/DeathsFoulPlayQuestions.htm>[Printer Friendly](#) | [Permalink](#) | [Top](#)phoebe (1000+ posts)   

Tue May-01-07 12:43 PM

Response to [Reply #170](#)**171. thank you so much for posting these 2 EXCELLENT articles**

let's keep up the good work on exposing these thugs..

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phoebe (1000+ posts)   

Tue May-01-07 02:31 PM

Response to [Reply #171](#)**173. more on Thelma Quince Colbert - dead attorney found in pool**

Edited on Tue May-01-07 02:32 PM by phoebe

http://www.kaisernetwork.org/daily_reports/rep_index.cf...

snip

Medicare | Justice Department Joins Medicare Fraud Suit Against Nursing Home Chain

The Justice Department has joined a whistle-blower lawsuit charging Integrated Health Services Inc., one of the nation's largest nursing home chains, with Medicare fraud, the Baltimore Sun reports. Yesterday, Thelma Quince Colbert, lead assistant U.S. attorney for civil enforcement in Fort Worth, Texas, revealed that her office filed notice last Friday, announcing plans to "intervene" and effectively "take over" the case in U.S. District Court in Dallas. IHS officials and attorneys declined to comment.

The Allegations




Last year, Carolyn Gray, a social worker at an IHS facility in Dallas, filed suit against IHS, alleging that the "acute long term care" facility admitted patients who "did not need its level of care," "inflated" patient complaint problems and billed Medicare for services "never delivered" (Salganik, Baltimore Sun, 12/13). In addition, the lawsuit charges that Dr. Sam Jahani, the former medical director at the IHS Dallas facility, required physical therapy for all patients, regardless of "medical necessity." Gray also alleges that IHS committed similar acts of fraud at facilities in Amarillo and Lubbock (Conklin, Dallas Morning News, 12/13).

Potential Penalty?

According to Bonny Harbinger, Gray's attorney, the fraudulent claims could run as high as "tens of millions of dollars." Colbert could not confirm the figure, noting that auditors would continue to review IHS' records to "define the damages." As a whistle-blower, Gray stands to receive between 15% and 25% of any damages that the government recovers. Colbert also said that investigators have "not yet determined" whether other IHS facilities participated in acts of Medicare fraud. IHS has more than 350 facilities across the nation.

A Case With 'Merit'

John Bentivoglio, a former Justice Department health fraud chief, said that the agency intervenes in only one-fourth to one-third of fraud cases. Pursuing this case "means the department has looked at it and believes it has merit," he said, adding, "Usually, they don't pursue it unless they feel it's a solid case" (Baltimore Sun, 12/13). Harbinger said that Gray called the Medicare Fraud Hotline several times before filing the suit, but received "little response." She added, "just wanted (the abuse) to stop and she was concerned it would be pushed under the rug" (Dallas Morning News, 12/13).

[Printer Friendly](#) | [Permalink](#) | [Top](#)phoebe (1000+ posts)   

Tue May-01-07 03:16 PM

Response to [Reply #173](#)**174. Lipari is one brave man - harrassment/surveillance/death of his stepmother**

Edited on Tue May-01-07 03:28 PM by phoebe





<http://www.medicalsupplychain.com/pdf/Attachment%202%20...>

no doubt about it -these people he is up against are out and out thugs..and that includes the law enforcement officers who were supposed to uphold the law...

looks like the Judge and lawyer for the opposing parties had no qualms about threatening Lipari's attorney

on edit: spelling

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DU AdBot (1000+ posts)    

Sat Sep 05th 2009, 11:26 AM
Response to [Original message](#)

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