

**ADMINISTRATIVE SUMMARY OF INVESTIGATION  
BY THE VA OFFICE OF INSPECTOR GENERAL  
IN RESPONSE TO ALLEGATIONS  
REGARDING PATIENT WAIT TIMES**



**VA Medical Center in Phoenix, Arizona  
June 12, 2017**

**1. Summary of Why the Investigation Was Initiated**

This investigation was opened as a spinoff investigation from an investigation into allegations of Electronic Wait List improprieties. That case had been initiated to investigate allegations of patient scheduling improprieties and associated performance metric manipulation at the Phoenix VA Health Care System (PVAHCS). During the course of that investigation, the Department of Veterans Affairs (VA) Office of Inspector General (OIG) uncovered information that suggested Sharon Helman, former director, may have received gifts from a representative of a private consulting firm (PCF). This case was initiated to investigate those allegations.

**2. Description of the Conduct of the Investigation**

- **Interviews Conducted:** VA OIG interviewed an executive manager at the PCF, the PCF executive consultant, and a VA employee. The former director declined to be interviewed based on the advice of her attorney.
- **Records Reviewed:** VA OIG reviewed Helman’s Financial Disclosures and Ethics Training records for calendar years 2006–2013, VA emails, records obtained via subpoenas, and Federal Procurement Data System records.

**3. Summary of the Evidence Obtained From the Investigation**

**Interviews Conducted**

- At the time of her interview, in September 2014, an executive manager at the PCF stated that the PCF did not have any contracts with VAMC Phoenix. She said she believed that the last time a PCF client held a contract that involved VAMC Phoenix occurred approximately 15 years prior to the interview. The executive manager further stated that approximately 2 to 3 years before the interview, the PCF executive consultant was told not to have any business interactions with Helman or VAMC Phoenix related to the PCF. The executive manager said she was aware that the PCF executive consultant had a “personal relationship” with Helman, but she refused to comment further on the nature of the relationship. The executive manager stated that because a personal relationship existed between the PCF executive consultant and Helman, there could not be a business relationship. The executive manager stated that she believed in “drawing lines.” The executive manager added that, prior to the interview, she had not been aware that the PCF executive consultant had offered gifts to Helman and called this behavior “inappropriate.”

She stated that if she had known this fact, she would have ordered a counseling session with the PCF executive consultant because the PCF's Code of Ethics specifically prohibited gifts.

The executive manager said she recalled speaking with Helman regarding a project that involved VA Community Based Outpatient Clinics (CBOCs). She stated that on behalf of the PCF's client, she called approximately 10 VA management officials throughout the country. The client already operated 21 contract VA CBOCs, and she was attempting to determine the parameters of how CBOCs would be contracted for in the future. The executive manager stated that she was also trying to determine if there was potential CBOC business for a PCF client at numerous facilities. She referred to this as a "survey." She further stated that she could not recall if she ever met Helman in person. Based on her telephone discussion with Helman on August 6, 2013, the executive manager said she (executive manager) believed that there would not be an opportunity at VAMC Phoenix for her client. She explained that she also spoke to Helman about reports that a dialysis clinic might be built at VAMC Phoenix. The executive manager stated that Helman did not request this potential expansion at VAMC Phoenix.

The executive manager further stated that she introduced Helman to an employee of her client via email. She added that even if the resulting client/VAMC Phoenix meeting was set up incorrectly, the client never received a contract from VAMC Phoenix. As a result, there was no specific benefit to the PCF. The executive manager stressed her belief in conducting business in an ethical manner.

- The PCF executive consultant stated that he first met Helman when they both worked for VA in the Washington DC area. He said Helman also worked for him when she was the VAMC Director at three medical centers in Washington State, adding that during that time, he was the Veterans Integrated Service Networks Director in the same state. He further stated that when they worked together, there were rumors that he and Helman were involved in an inappropriate relationship, which VA later investigated. He stated that he retired from VA, in part, because he did not want to be a distraction to Helman's VA career. He said that his working relationship with Helman ended when he retired from VA and that he had no business ties with her.

He stated that, as a consultant with the PCF, he didn't have any PCF business at VAMC Phoenix or its clinics. He indicated that none of his clients was associated with VAMC Phoenix or its clinics. He stated that he was not aware of the client, mentioned by the PCF executive manager, trying to get work at VAMC Phoenix. He added that the client looked into doing work with one or two of the VAMC Phoenix clinics, but did not get any contracts. He said that he probably told the client about VAMC Phoenix CBOC opportunities. He confirmed that he had introduced the PCF executive manager to Helman but did not remember the circumstances of the introduction. He stated that they had met in person, but not in Phoenix. He also stated that the executive manager never questioned his relationship with Helman. He said the PCF did not provide him with an expense account for clients, adding that he paid for client expenses on his own.

The PCF executive consultant stated that he never had an inappropriate personal

relationship with Helman. He described her as a good friend and that they occasionally had dinner and talked about VA matters. He stated that he and Helman ran a couple of marathons together. He said the last marathon they ran together was in Chicago in 2010 or 2011 and that they have not run in a marathon together since then. Moreover, according to him, he had not purchased significant gifts for Helman nor had he purchased a Disneyland vacation for Helman. He stated that his gifts to Helman were given on his own accord as Helman never asked him for any gifts.

- A VAMC Phoenix administrative employee stated that he was not familiar with the PCF or any of its consultants. He explained that he was involved with the planning of CBOC expansions and that the contracts for two clinics (Payson and Southwest) expired in 2013. He said VA had received no bids for the Southwest clinic, which subsequently closed and only one bid for the Payson clinic, which was from a subcontracted provider not affiliated with the PCF.

He further stated that he received contact information for the PCF client from VAMC staff to coordinate a meeting with the PCF client regarding the Southwest clinic. He did not remember who forwarded the client contact information to him. He said he had one meeting with the PCF client's representatives in August 2013, which took place after the Southwest clinic had closed. He stated that he met with two individuals from the PCF client who explained to him that their client had operated VA CBOCs in other states and may be interested in doing the same for VAMC Phoenix. He said the PCF client's representatives explained that the client would hire its own staff instead of subcontracting. He stated that he briefed the VAMC Assistant Director about the meeting. He added that he didn't recall meeting with Helman about the PCF client. He also stated that he had received a follow-up email from the PCF client in September 2013 but had not had any other contact with them. He said that, at the time of this interview (September 2014), VA was developing solicitation documents for a possible Southwest clinic to be constructed or leased and that VA was planning to staff the clinic with VA employees.

### **Records Reviewed**

- We reviewed Helman's Financial Disclosures and Ethics Training records for calendar years 2006–2013. The review disclosed that Helman completed a financial disclosure report for each of those calendar years and did not claim any gifts on any of her financial disclosure reports. Our review also disclosed that Helman completed in-person ethics training with an ethics counselor and that there were no ethics case notes pertaining to Helman asking about the requirement to report gifts.
- Records, regarding gifts given to Helman by the PCF executive consultant, obtained during the investigation disclosed the following:
  - On April 30, 2012, the PCF executive consultant purchased a United Airlines ticket for Helman in the amount of \$465.07 with his Visa card. The flight, between Phoenix, AZ, and Vancouver, BC Canada was scheduled for May 3, 2012, with a return date of May 7, 2012.

- On September 14, 2012, the PCF executive consultant purchased a United Airlines ticket for Helman in the amount of \$355.60 with his Visa card. The flight, between Phoenix, AZ, and Portland, OR, was scheduled for October 5, 2012, with a return date of October 7, 2012.
- On November 11, 2012, the PCF executive consultant sent an email to Helman regarding a Sedona Pink Jeep Tour reservation for two adults scheduled on November 14, 2012, at 1:00 p.m. The price of the tour for two adults was \$243.59.
- On February 18, 2013, the PCF executive purchased a Southwest Airlines ticket for Helman in the amount of \$317.60 with his Visa card. The flight, between Phoenix, AZ, and El Paso, TX, was scheduled for on March 15, 2013, with a return date of March 18, 2013.
- On April 3, 2013, the PCF executive consultant purchased a United Airlines ticket for Helman in the amount of \$507.80 with his Visa card. The flight, between Phoenix, AZ, and Eureka, CA, was scheduled for May 3, 2013 with a return date of May 6, 2013.
- On June 26, 2013, the PCF executive consultant purchased a United Airlines ticket for Helman in the amount of \$389.80 with his Visa card. The flight, between Phoenix, AZ, and Portland, OR, was scheduled for July 22, 2013, with a return date of July 24, 2013.
- On September 7, 2013, the PCF executive consultant purchased a United Airlines ticket for Helman in the amount of \$441.80 with his Visa card. The flight, between Phoenix, AZ, and Chicago, IL, was scheduled for October 11, 2013 with a return date of October 14, 2013.
- On August 24, 2013, the PCF executive consultant purchased from Ticketmaster/LiveNation five tickets and one parking pass to the Beyoncé concert at U.S. Airways Center on December 7, 2013, for \$729.50.
- On August 28, 2013, the PCF executive consultant sent an email to Helman with the Beyoncé concert ticket confirmation and wrote “Enjoy!”
- On December 11, 2013, the PCF executive consultant paid \$282.98 for Helman and her daughter’s registration for the 2014 Rock n Roll Arizona Marathon.
- On January 13, 2014, the PCF executive consultant purchased a Disneyland vacation for Helman and her family. The reservation was for an 8-night stay in a two-bedroom suite at the Disneyland hotel beginning on February 1, 2014. The vacation included a 5-day park hopper ticket for each guest, a Universal Studios VIP feature for each guest, premium character dining for each guest, pins and lanyards for each guest, an ESPN zone game card, an extra magic hour upgrade, and a Disney attraction photo memory. The PCF executive consultant used his Visa card to pay \$11,205.28 for Helman’s Disneyland vacation.

- On February 4, 2014, the PCF executive consultant paid \$142.99 (\$157.79 x .906204448 Canadian exchange rate) for Helman's registration for the Niagara Falls International Marathon.
- VA OIG reviewed Federal Procurement Data System records from October 1, 2009, to February 17, 2015, which disclosed that the PCF had been awarded \$5,330,277 in VA contracts. None of the contracts was in support of PVAHCS or its CBOCs. There was no indication that Helman had contact with any contracting officers or that she had exerted any influence on the contracts awarded to the PCF.
- In an August 7, 2013, email, the PCF executive manager requested Helman to follow-up with a representative of the PCF's client to speak about the client's ability to provide, "a near term alternative solution to VHA's need for larger community-based clinics with expanded capabilities."
- An August 13, 2013, email from a secretary in the PVAHCS, to the PCF client's representative reflected that Helman referred this request to the administrative employee, "for initial discussion as appropriate."
- OIG reviewed Helman's emails. The review disclosed:
  - Conversations between Helman and the PCF executive consultant regarding business opportunities for the PCF at VA
  - Contact between Helman and the PCF executive consultant regarding gifts of travel
  - Conversation between Helman and the administrative employee regarding the contract for the Southwest clinic
  - Contact between Helman and the PCF executive manager regarding CBOC clinic lease situations and about establishing a community VA dialysis clinic connected to VAMC Phoenix

#### **4. Conclusion**

The investigation revealed that Helman's OGE Form 278 for calendar years 2012 and 2013 indicated that she did not report any gifts, as required. On both forms, she falsely checked "none," thereby indicating that she had received no reportable gifts from any individual.

On March 1, 2016, Helman was charged in U.S. District Court for the District of Arizona with one count of Making a False Statement to a Government Agency, in violation of Title 18, United States Code § 1001. On March 1, 2016, Helman pled guilty to that charge. She was sentenced to probation for a term of 2 years and ordered to pay a special assessment of \$100. The United States Attorney's Office, District of Arizona, closed its investigation without bringing charges against the PCF executive consultant.

VA OIG referred the Report of Investigation to VA's Office of Accountability Review on  
October 12, 2016.



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for Investigations

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For more information about this summary, please contact the  
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