



## Senator questions use of IT contract

BY [Michael Hardy](#)  
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Another information technology services firm is being targeted for performing work outside the scope of a government contract.

Sen. Chuck Grassley (R-Iowa) wrote a letter last week to officials at the Energy Department, which is in charge of the contract, and the General Services Administration to inform them that Apogen Technologies Inc. used an IT contract to hire medical workers.

Officials for New Orleans-based Apogen denied the complaint and said the medical personnel are necessary to complete their work under the contract.

This case of alleged contract abuse is less controversial than a recent one in which CACI International Inc. was charged with using an IT contract to provide the military with interrogators in the Abu Ghraib prison scandal.

But this case is also more ambiguous. It suggests that when officials look to squelch work performed beyond the scope of a contract, they may find similar gray areas in which the determination is not obvious.

GSA officials and the Defense Department recently announced a new program called Get It Right to help vendors and agencies avoid misuse of federal contracts.

"You need to look at the task being performed," said procurement attorney Jonathan Aronie. Apogen was not hiring nurses to provide medical care, he said.

Don't look at "what are they capable of doing in another circumstance, but what are they doing under the contract," he said. "Are they analyzing data, and does data analysis fall under the IT schedule?"

Science and Engineering Associates Inc., also based in New Orleans, originally won the contract, said Apogen chief executive officer Todd Stottlemeyer. SEA merged with Stottlemeyer's company, ITS Services Inc., forming Apogen.

The GSA inspector general's office investigated the contract at Grassley's request. According to the IG, Energy officials hired SEA to design, install and operate an information system to support a program that provides compensation to employees with injuries or illnesses related to their work in nuclear weapons facilities.

SEA developed and installed a case management system under one task order, which was issued in 2001, according to the IG's report. In 2002 and 2003, though, company officials hired registered nurses as case managers and also paid case management assistants, mailroom employees and scanner operators with the IT funds.

The medical technicians and nurses—121 of them—were tapped to analyze claims, gather information and make sure the terminology and other technical data are correct, Stottlemeyer said.

"They're not making decisions, they're the ones who are gathering data," he said. "These are the subject matter

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### Compensation work moves slowly

Sen. Chuck Grassley (R-Iowa) is concerned that only roughly 4 percent of about 25,000 compensation claims have been processed for workers suffering from injuries or illnesses acquired while working in Energy Department nuclear weapons facilities.

In a letter last week to officials at the General Services Administration and DOE, Grassley partially blames that low percentage on the contractor performing the work, Apogen Technologies Inc. Company officials dispute that allegation, however.

"When they set the program up, at the time, both Congress and the DOE estimated there would be

experts that have medical training."

Scott Orbach, president of the consulting firm EZGSA, said he initially agrees with Grassley. "What [the nurses are] doing is actually evaluating data, which is not an information technology function," he said. "They're performing a statistical service."

However, he added, "You're working in a gray area. There's discretion to be had. There is no clear right or wrong."

A DOE spokesman said department officials have received Grassley's letter and are reviewing it.

about 7,500 claims over 10 years," said Todd Stottlemeyer, Apogen's chief executive officer. "In three years, over 25,000 claims were filed."

Stottlemeyer said company officials have done their part in processing about 7,000 of the 25,000 claims, which they passed on to a physician's review panel for evaluation. Another 13,000 are in progress, he said.

- Michael Hardy

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