

# How Whistleblowers Can Report Fraud, Waste, and Abuse: Recent GAO Testimony Explained

Article By:

Tycko & Zavareei Whistleblower Practice Group

---

**17 September 2024.** Fraud, waste, and abuse are unfortunately common problems in federal government programs. According to recent U.S. Government Accountability Office (GAO) [testimony](#) before the Subcommittee on Government Operations and the Federal Workforce, Committee on Oversight and Accountability, House of Representatives, improper payments have been a significant issue for years, adding up to nearly \$2.7 trillion since fiscal year 2003. Among 71 government programs, agencies estimated making \$236 billion in improper payments in FY 2023. Though FY 2023 improper payments are approximately \$11 billion less than FY 2022, billions in improper payments represent a monstrous problem to agencies and taxpayers alike.

## Key Findings from the GAO Testimony

The GAO identified that six programs generated \$200 billion or 85% of the estimated \$236 billion in improper payments for fiscal year 2023:

- Medicare (Department of Health and Human Services)
- Medicaid (Department of Health and Human Services)
- Unemployment Insurance (Department of Labor)
- Paycheck Protection Program (Small Business Administration)
- Earned Income Tax Credit (EITC) (Department of the Treasury)
- Supplemental Security Income (Social Security Administration)

The GAO previously identified these programs as being “high-risk” for fraud, waste, and abuse (some as long ago as 1990—EITC, Medicare). The GAO offers solutions and suggestions to each agency or department, with recommendations as to better tracking how the agencies implement their recommendations.

## What Whistleblowers Should Know About Improper Payments Versus Fraud

It’s important to note that “while all fraudulent payments are considered improper, not all improper payments are due to fraud.” Improper payments are those that should not have been made or were made in incorrect amounts. On the other hand, [fraud](#) involves the knowing submission of false statements or false claims to the government programs.

Each year the federal government loses between \$233 billion and \$521 billion to fraud, according to GAO analysis of FY 2018-2022. This staggering range underscores the need for robust oversight and accountability—and whistleblowers can keep contractors and agencies accountable to their stated fraud-busting goals.

## The Role of Whistleblowers

The GAO had several recommendations for Congress, including implementing more frequent improper payment reporting and fraud risk management reporting in agencies' annual financial reports, as well as better data sharing across agencies. However, while these recommendations can certainly improve agencies' chances at reducing fraud, the False Claims Act is the government's foremost tool for recovering misspent federal dollars. For FY 2023, the Department of Justice reported False Claims Act [settlements and judgments](#) exceeding \$2.68 billion, representing 543 actions.

[Whistleblowers](#) play a crucial role in identifying and reporting fraud, waste, and abuse. If you work for a government contractor or serve in the healthcare industry, you may be entitled to a [reward](#) for reporting mismanagement of government funds or false billing of government healthcare programs such as Medicare or Medicaid. Under the False Claims Act, whistleblowers can receive a percentage of the recovered funds, which serves as an incentive to report misconduct. Reporting fraud is not just a civic duty but a step toward safeguarding public funds and restoring trust in government programs.

### Source:

*Payment Integrity: Significant Improvements Are Needed to Address Improper Payments and Fraud*, U.S. House of Representatives Subcommittee on Government Operations and the Federal Workforce, Committee on Oversight and Accountability, 118th Cong. (2024). <https://www.gao.gov/products/gao-24-107660>

© 2025 by Tycko & Zavareei LLP

---

National Law Review, Volume XIV, Number 261

Source URL: <https://natlawreview.com/article/how-whistleblowers-can-report-fraud-waste-and-abuse-recent-gao-testimony-explained>