

# Is The Federal Trade Commission The Next Government Agency Scandal ?

Chris Ryan January 29, 2014



Is the FTC the Next Scandal

**The FTC wasted millions of taxpayers dollars investigating a cancer research company for data security of its clients. Outside there Congressional mandate, and with no complaint or allegation to support it or filed.**

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Every day the government conducts audits and investigations into the action of individuals and companies. Sometimes these are warranted; other times they are not. Who decides who to audit and investigate? The government. Who makes sure it is a sound, reasonable and necessary action before the dollars of millions of taxpayers are spent in those pursuits? No one. Not one person, not one organization.

FTC Scandal

The latest victim to this frivolous waste of resources and time is LabMD. President and CEO Michael J. Daugherty has announced that he has no choice but to wind down operations at his medical facility in Atlanta, GA. Why? Because the Federal Trade Commission (FTC) has been investigating the business for four exhaustive years and has filed an administrative suit about LabMD's patient information data security.

The cause of this invasive investigation is unknown. There are not any established or uniform security data practices. No Congressional subcommittee has developed, presented, implemented or regulated data security practices. There is no consumer victim that has filed any type of complaint that there was a security breach or even a violation of HIPAA laws.

This has all served to completely debilitate the company's ability to function. In a press release announcing the wind

down, Mr. Daugherty says “the effects of this action will be felt throughout the medical community, from LabMD’s employees to the physicians and their patients who utilize the facility. Daugherty laments that LabMD will be hampered in its mission to offer the excellent medical care and reliable diagnoses it has provided to its clients for almost 20 years.”

Established in 1996, LabMD specializes in analysis and diagnosis of blood, urine, and tissue specimens for cancers, micro-organisms and tumor markers. Due to the actions of the FTC, LabMD can no longer accept new specimens. It will do everything it can to continue helping current clients, despite the devastating impact on its loyal employees and partners.

The FTC has given all the appearances of usurping the power that should belong to the Department of Health and Human Services, who controls patient information in the United States. That is why on November 15, 2013, Cause of Action, a government accountability group, sued the FTC on behalf of LabMD in an effort to put an end to the agency’s arbitrary and egregious use of authority in the administrative suit.

It is time that the government meet the same standards and practices as the rest of the world, including letting its shareholders – the American people – have visibility on how it spends the money and resources collected through taxes.

We are looking for people with the courage to expose this, if you have additional information please feel free to contact the author directly at [chris@newswire.net](mailto:chris@newswire.net) all sources are confidential and will be kept anonymous.

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