

October 9, 1986

MEMORANDUM FOR: Eugene T. Pawlik, Director, Office of Investigations
Field Office, Region III
FROM: James G. Keppler, Regional Administrator
SUBJECT: ADVANCED MEDICAL SYSTEMS, INC., (AMS) ALLEGED
MATERIAL FALSE STATEMENT INVESTIGATION
(OI CASE REPORT NO. 3-85-015)

As a result of Region III staff review of OI Case Report No. 3-85-015, new information has recently come to my attention which relates to your investigation of activities at AMS and may be relevant to the Department of Justice analysis of this case for criminal prosecution.

One finding of your investigation, that Mr. Howard Irwin, AMS Radiation Safety Officer, post dated an MRC Form 4, was known to Region III staff at the time of our inspection in February 1985. The inspector questioned the timeliness of the subject Form 4 and Mr. Irwin stated that he had postdated the form to September 1984 which was then signed in January 1985. This was documented in our Inspection Report No. 030-16055/85001 (DRSS) as an "untimely" Form 4.

On February 28, 1985, Region III management conducted an Enforcement Board regarding the overexposure event and inspection findings. At that time, the reported exposure to two individuals was over 3 Rem so the circumstances surrounding the Form 4 were not pursued to the extent of determining that it was a false document. Therefore, no enforcement consideration was given to the Form 4 issue. On March 11, 1985, Region III received an AMS letter dated March 8, 1985, adjusting the exposures downward below 3 Rem. By that time, while the Form 4 merited greater enforcement significance, this was not identified, and our enforcement proceedings focussed on the radiation safety program violations. Enforcement action for records falsification or material false statement was not considered at that time. The filing of your investigation report has caused us to revisit this issue and appropriate actions are being pursued.

If you have any questions regarding these matters, please contact me or Jack Grobe of my staff.

Original signed by
James G. Keppler

James G. Keppler
Regional Administrator

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PDR FOIA
WENDLIN93-236 PDR

cc: J. Lieberman, OGC
J. Axelrad, IE

RIII Probe/jg 10/9/86	RIII Stimons 10/9/86	RIII Sredlawski 10/9/86	RIII Axelson 10/10/86	RIII Schultz 10/14/86	RIII Berson 10/ /86	RIII Wind 10/13/86	RIII Davis 10/17/86	RIII Keppler 10/14/86
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out of office; not pursued!

yes D/1