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United States Senate

COMMITTEE ON THE JUDICIARY

WASHINGTON, DC 20510-6275

January 14, 2026

VIA ELECTRONIC TRANSMISSION

The Honorable Robert F. Kennedy
 Secretary
 Department of Health and Human Services

The Honorable Mehmet Oz
 Administrator
 Centers for Medicare and Medicaid Services

Dear Secretary Kennedy and Administrator Oz:

As you both are aware, public reporting has emerged regarding deplorable fraud schemes in Minnesota that deliberately targeted federal programs designed to assist children with autism,¹ the elderly,² and small businesses.³ Testimony before Congress on January 7, 2026, has also alleged that the Walz administration retaliated against whistleblowers who tried to expose this fraud on behalf of the American people.⁴ If true, such retaliation cannot go unpunished.

Any attempt to steal taxpayer money is utterly unacceptable; however, these crimes are especially heinous when they target programs which support Americans struggling to care for their children or elderly relatives.

On December 28, 2025, Director Patel announced that the FBI had deployed strategic personnel and resources to Minnesota.⁵ On January 7, 2026, Attorney General Bondi announced that the Department of Justice had sent additional prosecutors to Minnesota.⁶

Allegations of fraud in federal programs have extended far beyond Minnesota and have raised serious questions that this criminal activity has operated on a national scale.⁷ On January 6, 2026, the Trump HHS reportedly froze \$10 billion in federal funding for programs in Minnesota, New York, California, Illinois, and Colorado.⁸

¹ Department of Justice, Press Release, *First Defendant Charged in Autism Fraud Scheme*, (Sept. 24, 2025) <https://www.justice.gov/usao-mn/pr/first-defendant-charged-autism-fraud-scheme-0>.

² Department of Justice, Press Release, *Defendants Charged in First Wave of Housing Stabilization Fraud Cases*, (Sep. 18, 2025) <https://www.justice.gov/usao-mn/pr/defendants-charged-first-wave-housing-stabilization-fraud-cases>.

³ Andrew Mark Miller, FOX NEWS, *Lawmakers probe SBA loans linked to Minnesota's \$9B fraud scandal: 'Reckless decision making'*, (Dec. 23, 2025) <https://www.foxnews.com/politics/lawmakers-probe-sba-loans-linked-to-minnesotas-9b-fraud-scandal-reckless-decision-making>.

⁴ Committee on Oversight and Government Reform, Hearing, *Oversight of Fraud and Misuse of Federal Funds in Minnesota: Part I*, (Jan. 7, 2026) <https://oversight.house.gov/hearing/oversight-of-fraud-and-misuse-of-federal-funds-in-minnesota-part-i>.

⁵ @FBIDirectorKash, X, (Dec. 28, 2025) <https://x.com/FBIDirectorKash/status/2005305530651189719>.

⁶ Sarah N. Lynch & Jennifer Jacobs, CBS NEWS, *Justice Dept. to surge prosecutors to Minnesota amid fraud allegations*, (Jan. 7, 2026) <https://www.cbsnews.com/news/justice-dept-surge-prosecutors-minnesota-amid-fraud-allegations/>.

⁷ See e.g., Department of Justice, Press Release, *Two Massachusetts Men Charged with Large-Scale SNAP Benefits Trafficking*, (Dec. 17, 2025) <https://www.justice.gov/usao-ma/pr/two-massachusetts-men-charged-large-scale-snap-benefits-trafficking>; Department of Justice, Press Release, *Mississippi Businessman Pleads Guilty to \$19M Health Care Fraud Conspiracy*, (Nov. 20, 2025) <https://www.justice.gov/opa/pr/mississippi-businessman-pleads-guilty-19m-health-care-fraud-conspiracy>.

⁸ Minho Kim, THE NEW YORK TIMES, *Health Dept. Freezes \$10 Billion in Funding to 5 Democratic States*, (Jan. 6, 2026) <https://www.nytimes.com/2026/01/06/us/politics/child-care-funding-cuts-trump.html>.

On January 8, the Trump administration announced the creation of a new division within the Department of Justice for national fraud enforcement, including the appointment of a new Assistant Attorney General responsible for prosecuting these crimes.⁹

And on January 7, Administrator Oz, you stated that “[w]hat we have learned so far in Minnesota is just the tip of the iceberg, perhaps the largest Medicaid scam ever” and that \$500 million may have been billed fraudulently.¹⁰

I have dedicated my career to exposing waste, fraud and abuse within government programs. I appreciate your efforts to root out waste, fraud and abuse. I also encourage you to facilitate whistleblowers because in widespread fraud schemes like these, whistleblowers will be your greatest assets and allies. Should they come forward, you must protect them. To better understand your agency’s efforts to safeguard the American taxpayer and to ensure the integrity of federal programs, provide answers to the following no later than January 28, 2026:

1. I’ve seen fraud throughout my career and encourage you to attack it aggressively. For the taxpayer, please explain what led you to conclude on January 7, 2026, that the present Medicaid fraud is “just the tip of the iceberg.” Provide all records.¹¹
2. In a letter addressed to Governor Walz on January 6, 2026, Administrator Oz, you stated that the Centers for Medicare & Medicaid Services (CMS) will begin to review quarterly receipts from Minnesota and that there are “fourteen high-risk Medicaid services” that are “particularly vulnerable to fraud.”¹² What are those high risk services and what evidence led you to conclude these fourteen services were especially vulnerable to fraud? Provide all records.
3. Will you commit to aiding Congress in its constitutional duty to conduct oversight by providing records relating to your fraud investigations and findings? The public has a right to know how CMS is rooting out waste, fraud, and abuse.
4. Is CMS or HHS planning on conducting similar quarterly audits in other states such as New York, California, Illinois, and Colorado? If not, why not?
5. Provide records of fraud-related training for CMS and HHS personnel between January 2020 to the present.

⁹ The White House, *Fact Sheet: President Donald J. Trump Establishes New Department of Justice Division for National Fraud Enforcement*, (Jan. 8, 2026) <https://www.whitehouse.gov/fact-sheets/2026/01/fact-sheet-president-donald-j-trump-establishes-new-department-of-justice-division-for-national-fraud-enforcement/>.

¹⁰ Taylor Penley, FOX NEWS, *Trump admin puts Minnesota on notice, moves to audit Medicaid and claw back funds to protect taxpayers*, (Jan. 7, 2026) <https://www.foxnews.com/media/dr-oz-puts-minnesota-notice-moves-audit-medicaid-claw-back-monies-protect-taxpayers>.

¹¹ “Records” include any written, recorded, or graphic material of any kind, including letters, memoranda, reports, notes, electronic data (emails, email attachments, and any other electronically created or stored information), calendar entries, inter-office communications, meeting minutes, phone/voice mail or recordings/records of verbal communications, and drafts (whether they resulted in final documents).

¹² (@DrOzCMS, X, (Jan. 6, 2025) <https://x.com/DrOzCMS/status/2008737551016968580/photo/1>.

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6. In 2008, Congress mandated that states use electronic asset verification.¹³ However, states did not comply with this requirement, therefore Congress established federal medical assistance percentage (FMAP) penalties for non-compliance.¹⁴ Which states have failed to comply or have done a poor job maintaining compliance? How much taxpayer money has been wasted? Provide all records.

Thank you for your prompt review and response. If you have any questions, please contact Ross Berg or Ethan Barnes with my Committee staff at (202) 224-5225.

Sincerely,



Charles E. Grassley
Chairman
Committee on the Judiciary

¹³ See P.L. 110-252, *Supplemental Appropriations Act, 2008*.

¹⁴ Issue Brief, Medicaid and CHIP Payment and Access Commission, *State Compliance with Electronic Asset Verification Requirements*, (Oct. 2020) <https://www.macpac.gov/publication/state-compliance-with-electronic-asset-verification-requirements/>.