

Fraud Prevention and State Agency Oversight Policy Committee



Minnesota House of Representatives

July 23, 2025

The Hon. Juliet Hodgkins
Acting Inspector General
Dept. of Health & Human Services – OIG
330 Independence Avenue, SW
Washington, DC 20201

Dear Acting Inspector General Hodgkins,

We are writing to formally request your assistance in uncovering and ending the rampant fraud in Minnesota's Medicaid program, particularly in the Home and Community Based Services waivers.

Over the last several months there have been news stories regarding federal search warrants executed suggesting Minnesota taxpayers have had hundreds of millions of dollars stolen by criminals who perpetrate fraudulent Medicaid billing schemes. We have seen fraud in several Medicaid programs such as: Housing Stabilization Services, the autism program - Early Intensive Developmental Behavioral Intervention (EIDBI), recovery services and non-emergency medical transportation (NEMT), to name a few.

This fraud has gone unchecked for years, despite numerous reports by our Office of Legislative Auditor about the lack of proper internal controls, problems with verifying eligibility and overpayments or double billing.

Unfortunately, we believe this is just the tip of the iceberg and we think the time has long past for "reforms" that have been suggested but not implemented. To date, no one in the Minnesota Department of Human Services has been held accountable for the documented hundreds of millions of dollars that have been stolen. Instead, those involved in overseeing these programs continue to work at the department, sometimes being shifted to other positions - or even promoted - but not having any apparent sanction for allowing this fraud to take root over many years.

The culture of fraud is, unfortunately, endemic, and we believe it is necessary to seek federal intervention. We are writing to request that the HHS-OIG audit the Minnesota Department of Human Services. Identifying and addressing this fraud is essential to restoring public trust, safeguarding taxpayer dollars, and ensuring that HCBS waivers continue to serve their intended purpose.

We have recently seen an increase in responsiveness by the Minnesota Department of Human Services since the US Attorney for the District of Minnesota and the FBI have begun conducting investigations. Given how long this has been going on and how many programs may be potentially involved, however, we think it is imperative that the HHS-OIG undertake a comprehensive audit of these programs to ensure that there is real accountability and fundamental change in how these programs are managed going

forward.

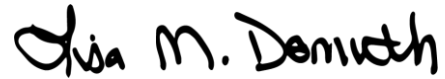
Thank you for your prompt attention to this serious matter. We look forward to hearing from you and stand ready to assist you in any way.

Sincerely,

Rep. Kristin Robbins

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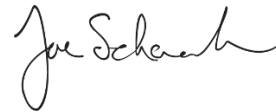
Rep. Kristin Robbins
Chair, Fraud Prevention & State Agency
Oversight Policy Committee

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Speaker Lisa Demuth
MN House of Representatives

Handwritten signature of Jeff Backer in black ink.

Rep. Jeff Backer
Co-Chair, Health Finance and Policy
Committee

Handwritten signature of Joe Schomacker in black ink.

Rep. Joe Schomacker
Co-Chair, Human Services Finance
& Policy Committee