

Truth before rhetoric

...

The place for
Minnesotans to
find accurate
information
about our fight
against fraud.

FACT CHECK.

Corrective Action Plan (CAP) Timeline

Our Corrective Action Plan (CAP), approved by CMS on March 19, details our anti-fraud actions and shows the federal Centers for Medicare & Medicaid Services (CMS) that Minnesota is taking program integrity and fraud issues seriously. **Why this matters:** CMS has **deferred \$259 million** in Medicaid reimbursements to Minnesota above and beyond their initial threat to withhold \$2 billion annually until they approved our CAP implementation.

- CMS requested a CAP on (12/5/25)
- We submitted it 26 days later on (12/31/25)
- CMS denied our CAP via a social media video from Dr. Oz and announced a \$2 billion withhold “until a CAP is in place.” (1/6/26)
- CMS asked for a revised CAP in a 1/6 letter, and we submit it 24 days later containing everything asked for by CMS. (1/30/26)
- We met with CMS on 2/3, 2/10, 2/17 and 2/24. CMS refused to approve the CAP or discuss what needs correction. We have made time to meet with CMS weekly.
- Vice President Vance & Dr. Oz announce their plans to defer \$259 million in Medicaid funding from Minnesota (2/25/26).
- Dr. Oz suggested funds will be withheld until a CAP is in place.
- CMS canceled our scheduled meeting on 3/3/2026 — without reason.
- CMS approves our revised CAP on March 19, 7 weeks after receiving it.

FACT: CMS continues to threaten DHS despite approving our Feb. 1 and March 1 goals.

FACT: While CMS is playing politics with funding for vulnerable Minnesotans, we are doing the program integrity work we committed to in our plan

Added:

3/26/2026

Topic: Licensure of EIDBI* providers 3/26/26

**EIDBI is a benefit for people under 21 with autism spectrum disorder-related conditions. The Minnesota Legislature is now requiring all EIDBI agencies to have a provisional license by May 31.*

Claim:

Only 6 of 500 EIDBI providers have applied for a license, which proves rampant fraud.



FACT: Drawing this conclusion is a giant leap — the application deadline isn't until May 31, 2026.

FACT: Under state law passed in 2025, licensure for EIDBI providers is being phased in.

FACT: We are slated to propose comprehensive licensing standards to the legislature by Jan. 1, 2027.

FACT: The primary purpose of licensing is to ensure children's safety through a series of provider requirements.

FACT: The report "EIDBI Licensing Recommendations" explained the benefits and limitations of licensing EIDBI agencies.

Added:

3/12/2026

Topic: Federal Court Hearing 3/12/2026



Claim:

During a federal court hearing in St. Paul, the federal government could not explain what Minnesota must change in its corrective action plan to restore deferred Medicaid funding.

FACT: An attorney for the U.S. Department of Health and Human Services couldn't explain what additional information the federal government wants in the corrective action plan.

FACT: CMS' attorney told the court the corrective action plan is not relevant to the deferral of Medicaid funds, which contradicts CMS leadership.

FACT: CMS Administrator Dr. Mehmet Oz specifically said the corrective action plan relevant to the deferment

Added:

3/9/2026

Note: This new threat from the Centers of Medicare & Medicaid Services (CMS) is above and beyond the future \$2 billion withholding that we "fact checked" several weeks ago (). We appealed that action with CMS and are awaiting a response.

Topic: The federal government's decision to stop \$259 million in Medicaid reimbursements to Minnesota (2/25/26)



Claim:

"Minnesota isn't cooperating with CMS, and this move is necessary to make sure the state is serious about fighting fraud."

FACT: The federal government has chosen to ignore more than 1.5 years of serious and intensive work.



Claim:

Minnesota provided an inadequate corrective action plan

FACT: CMS has not provided feedback on the revised corrective action plan Minnesota submitted on Jan. 30.

FACT: Review a copy of our original Corrective Action Plan.

FACT: At CMS' direction, we submitted a revised plan in January.



Claim:

Deferring Medicaid funding won't hurt actual Minnesotans and there is a rainy-day fund to cover the deferred funding

FACT: Deferring \$259 million will significantly harm the state's health care infrastructure.

FACT: In the immediate days, we are required to cover the services provided.

FACT: Federal officials have threatened future funding deferrals.



Claim:

Minnesota has to show "some affirmative steps" toward making sure those billing us for Medicaid services have been provided those services.

FACT: The federal government and CMS are well aware of the work.

FACT: We have taken aggressive action everywhere we have found evidence of fraud.

FACT: We have taken intense fraud-fighting measures around the 14 Medicaid services we identified as highest risk for fraud.

Topic: State of the Union Address (2/24/26)



Claim:

\$19 billion has been pillaged from the American taxpayer in Minnesota.

FACT: President Trump continues to repeat the unfounded \$19 billion figure

FACT: This number has no basis in reality, as has been reported.

FACT: Star Tribune story calls the number "far larger than what members of the Justice Department have publicly tallied ..."

FACT: A KTTC story says the claim "lacks evidence" and "exceeds estimates from the U.S. Department of Justice."

Topic: Third-party auditor report



Claim:

MN DHS is "hiding" the findings from its third-party auditor Optum.

FACT: Redactions are required by Minnesota's Government Data Practices Act, section 13.37.

FACT: Under this law, data is classified as "security information."

FACT: Publishing security information would allow criminals to recognize weaknesses.

FACT: The law does not allow MN DHS to provide more information to legislators than to the public.



Fact check us:

Governor Walz's proposed Fraud Fighting Package (2/26/26)

The package focuses on bettering detection and oversight, investigative and enforcement authority, and increased criminal penalties for violators. Key elements:

Better Detection and Oversight

- Strengthens program integrity in Managed Care Organizations
- Expands audit and internal control capacity to ensure funds are properly spent and misused dollars are recovered.
- Uses predictive analytics and machine learning to identify suspicious billing earlier.

- Prohibits legislatively named grants, requiring competitive processes to ensure fairness and transparency.

Strengthened Investigative and Enforcement Authority

- Establishes a centralized Office of Inspector General to lead statewide fraud prevention, set standards, and refer cases for civil or criminal enforcement.
- Expands BCA Financial Crimes and Fraud Unit capacity and subpoena authority.
- Enhances authority for on-site investigations across Minnesota Health Care Programs, including providers who have not yet billed claims.
- Adds capacity for fraud prevention at the Department of Revenue and the Attorney General’s Medicaid Fraud Unit.
- Establishes permanent bans from state contracts and grants for individuals convicted of fraud, including new businesses and subcontractors.

Increased Criminal Penalties

- Creates a new Theft of Public Funds statute, increasing penalties by 20 percent.
- Extends statutes of limitations to seven years for certain fraud-related crimes.

Added:

2/11/2026



Claim:

"In Minnesota they think [fraud is] \$19 billion...triple it, quadruple it!"

FACT: When a fraud number can be doubled, tripled, or “quadrupled” without new evidence, it is not a real number, it’s a political one.

FACT: Speculation is not fraud.

FACT: Claiming that half of all Medicaid payments for some services are fraudulent is shocking.

FACT: We refer criminals to law enforcement for prosecution.

FACT: The Minnesota Star Tribune reported on Dec 11, 2025 a total state number of \$217.7 million in criminal social services fraud charges across social services programs since September 2022, including \$25.65 million in alleged Medicaid fraud.

FACT: Minnesota Attorney General Keith Ellison announced charges against a defendant using a home health agency to commit fraud.

FACT: Since 2020, MN DHS has conducted over 3,000 investigations and referred over 500 cases to law enforcement.



Claim:

“Minnesota's fraud problem is uniquely bad”

FACT: Fraud is a nationwide challenge and is not unique to Minnesota.

FACT: Staggering fraud schemes and audits have been uncovered in many states beyond Minnesota.

FACT: According to the federal government, Minnesota has a Medicaid improper payment rate well below the national average

FACT: Allowing a program to operate under federal rules is not approval of fraudulent activity.

Claim:

Recent social media videos uncovered new fraud allegations at the Griggs-Midway Building in St. Paul



FACT: We're the ones who briefed state and federal law enforcement officers about suspicious businesses at this building.

FACT: Showing up with a camera and the goal of getting YouTube views isn't the same as conducting a legitimate fraud investigation.

FACT: Most people don't come to the building... which is why they weren't seen in the building.

FACT: Investigations are best left to those with training and experience.

FACT: Many office buildings across the Midwest are former industrial buildings.

FACT: We regularly support criminal investigations by law enforcement, and the bulk of prosecutions start with a referral from us.

FACT: Raising speculation is not the same as uncovering evidence.

Claim:



A YouTuber uncovered fraud at medical transport businesses he visited.

FACT: The video was full of speculation, but no actual evidence the state was billed or paid for services that were not provided.

FACT: Businesses they visited received no Medicaid transportation payments from MN DHS.

FACT: Federal law requires every state's Medicaid program to cover non-emergency medical transportation.

FACT: The Minnesota Department of Human Services took action in 2025 to designate non-emergency medical transportation as a high-risk service.

FACT: Spreading misinformation that Minnesota taxpayers are funding terrorism is designed to manufacture outrage.

Claim:



A federal official stated "Minnesota didn't provide a serious corrective action plan" to address Medicaid fraud.

FACT: MN DHS was blind-sided by the actions taken by federal officials to withhold \$2 billion of Medicaid funding annually.

FACT: Since December 5, we've worked with CMS to create a corrective action plan to increase our ability to prevent and detect Medicaid fraud.

FACT: We have met all timelines federal officials have set and meet weekly with CMS.

FACT: We disagree with CMS's conclusion that our initial plan was inadequate.

FACT: In 2025, we worked closely with CMS to assess the Housing Stabilization Services program and ultimately closed it down.

FACT: CMS's own data released in January shows Minnesota has a payment error rate well below the national average.

FACT: We have done everything CMS has asked of us.

FACT: CMS' actions here put Minnesotans at risk of losing lifesaving and life changing assistance.

Fact check us:



"Minnesota is leading the nation in fraud detection efforts"

Minnesota has a zero-tolerance stance on fraud and is now a national leader in fraud prevention and detection. Check out our work and let us know who's doing it better!

- Identified 14 Medicaid services as high-risk and:
 - Established a freeze on adding new service providers in those programs
 - Implemented a new third-party review of claims before they are paid
 - Discontinued the Housing Stabilization Services program
 - Audited autism service providers, included on-site visits
 - Disenrolled inactive providers
 - Expanded the use of analytics to prioritize review of payments before and after they are made
- Implementing licensures for autism centers
- Developing enhanced training for providers and state employees who work on Medicaid provider training and education
- Developing additional training for state employees who work on Medicaid
- Planning systems for increased oversight of large health care providers providing managed care services
- Conducting onsite visits and revalidating over 5,800 Medicaid providers before this summer