

ONE HUNDRED NINETEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE

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March 3, 2026

The Honorable Jim Pillen
Governor
State of Nebraska
P.O. Box 94848
Lincoln, NE 68509

Dr. Steve Corsi, PsyD
Chief Executive Officer
Nebraska Department of Health and Human
Services
301 Centennial Mall South
Lincoln, NE 68508

Dear Governor Pillen and Dr. Corsi:

Pursuant to Rules X and XI of the U.S. House of Representatives, the Committee on Energy and Commerce (Committee) writes to request information related to program integrity and fraud, waste, and abuse (FWA) in your state's Medicaid program.

Recent reports and law enforcement actions have exposed unprecedented levels of Medicaid fraud in the State of Minnesota and other states. The magnitude of the fraud demands states proactively address FWA in Medicaid programs.¹ The swath of criminal schemes coming to light in Minnesota include overbilling, falsifying records, identity theft, and phantom claims in Medicaid social service and health programs for the elderly and disabled, children with autism, people struggling with substance use disorders, and homelessness.² The Committee is concerned that your state's Medicaid programs may be similarly vulnerable to FWA that harms Medicaid enrollees, legitimate providers, and taxpayers. To inform the Committee's oversight and potential legislative reforms, we are examining Medicaid program integrity and actions your state has taken, and is taking, to proactively identify and root out FWA.

¹ Alyssa Chen, *Report: Poor policy language may have cost \$1.7B across 14 Medicaid services in Minnesota*, MINNESOTA REFORMER (Feb. 6, 2026), <https://minnesotareformer.com/2026/02/06/report-poor-policy-language-may-have-cost-minnesota-1-7b-across-14-medicaid-services/>; *see also* Letter from Mehmet Oz, Administrator, U.S. Centers for Medicare and Medicaid Services, to The Hon. Janet Mills, Governor of Maine and Sara Gagné-Holmes, Comm'r, Maine Dep't of Health and Human Services (Feb. 6, 2026), <https://x.com/DrOzCMS/status/2019894197466116237/photo/1>.

² Joe Walsh, *What to know about Minnesota's "industrial-scale fraud" scandal, as more charges are filed and Trump weighs in*, CBS NEWS (Dec. 19, 2025), <https://www.cbsnews.com/news/what-to-know-minnesota-fraud-scandal-more-charges-filed-trump-walz/>; Press release, The Office of Minnesota Attorney General Keith Ellison, Two plead guilty to Medicaid fraud in case Attorney General Ellison investigated jointly with U.S. Attorney's Office (Oct. 22, 2025), https://www.ag.state.mn.us/Office/Communications/2025/10/22_EvergreenRecovery.asp.

In fiscal year 2024, Nebraska Medicaid spending totaled \$3.8 billion (\$2.5 billion in federal funding) and covered nearly 340,000 people.³ Nebraska broadly defines Medicaid eligibility and administers several Medicaid programs that are generally considered high risk for FWA.⁴ In Nebraska, these include Applied Behavioral Analysis (ABA) services for children with Autism Spectrum Disorder (ASD), home and community-based services (HCBS), including personal assistant and personal care services, and behavioral health.⁵

Recent audits, fraud investigations, and convictions related to Nebraska's Medicaid programs are concerning. In September 2025, the Nebraska Auditor of Public Accounts issued a report examining Medicaid ABA services amid concerns about explosive spending and enrollment in the program.⁶ Nebraska Medicaid paid \$82.8 million for ABA services for about 1,500 beneficiaries in 2024, a more than 1,700 percent increase in spending since 2020.⁷ However, Nebraska recently reduced Medicaid reimbursement rates for ABA services to better match rates in surrounding states, which is expected to reduce costs.⁸ According to the auditor's report, five ABA service providers billed over \$54 million in 2024, with just one provider accounting for over half of those billings.⁹ The auditor's report also found that the ABA services program was riddled with duplicate claims, inaccurate claims data, service providers without appropriate credentials, a lack of adequate supervision of providers, incorrect reimbursement rates, and a lack of adequate supporting documentation.¹⁰

³ Medicaid and CHIP Payment Access Commission, MACStats, Exhibit 16, Medicaid Spending by State, Category, and Source of Funds, FY 2024, 46, <https://www.macpac.gov/wp-content/uploads/2026/01/EXHIBIT-16.-Medicaid-Spending-by-State-Category-and-Source-of-Funds-FY-2024.pdf>; U.S. Centers for Medicare and Medicaid Services, December 2024: Medicaid and CHIP Eligibility Operations and Enrollment Snapshot, 27 (Apr. 30, 2025), <https://www.medicare.gov/resources-for-states/downloads/eligib-oper-and-enrol-snap-december2024.pdf>.

⁴ U.S. Centers for Medicare and Medicaid Services, Medicaid, Children's Health Insurance Program, & Basic Health Program Eligibility Levels, <https://www.medicare.gov/medicaid/national-medicare-chip-program-information/medicaid-childrens-health-insurance-program-basic-health-program-eligibility-levels> (last visited Feb. 26, 2026); see Letter from Mehmet Oz, Administrator, U.S. Centers for Medicare and Medicaid Services, to The Hon. Janet Mills, Governor of Maine and Sara Gagné-Holmes, Comm'r, Maine Dep't of Health and Human Services, 2 (Feb. 6, 2026), <https://x.com/DrOzCMS/status/2019894197466116237/photo/1>.

⁵ See Isaac Asamoah Amponsah, *Ethics at Risk: Addressing Fraudulent Behavior in ABA Therapy*, Association of Certified Fraud Examiners (July 2024), <https://www.acfe.com/acfe-insights-blog/blog-detail?s=ethics-risk-addressing-fraudulent-behavior-aba-therapy>; see also U.S. Centers for Medicare and Medicaid Services, Monitoring Fraud, Waste, & Abuse in HCBS Personal Care Services, 3, <https://www.medicare.gov/medicaid/home-community-based-services/downloads/hcbs-3a-fwa-in-pcs-training.pdf>; see also Colin May, *Wealth over well-being: Case studies of behavioral health fraud*, Association of Certified Fraud Examiners (Dec. 2025), <https://www.acfe.com/acfe-insights-blog/blog-detail?s=case-studies-behavioral-health-fraud>.

⁶ Jolie Peal, *State auditor finds issues in top ABA service providers*, NEBRASKA PUBLIC MEDIA (Sept. 23, 2025), <https://nebraskapublicmedia.org/en/news/news-articles/state-auditor-finds-issues-in-top-aba-service-providers/>.

⁷ NEBRASKA AUDITOR OF PUBLIC ACCOUNTS, ATTESTATION REPORT OF THE NEBRASKA DEP'T OF HEALTH AND HUMAN SERVICES – APPLIED BEHAVIOR ANALYSIS, CALENDAR YEARS ENDED DEC. 31, 2023, AND DEC. 31, 2024 (Sept. 23, 2025), https://auditors.nebraska.gov/APA_Reports/2025/SA25-09232025-January_1_2023_through_December_31_2024_Applied_Behavior_Analysis_Attestation_Report.pdf.

⁸ News Release, Nebraska Dep't of Health and Human Services DHHS explains Medicaid rate adjustment in response to provider misinformation (July 18, 2025), <https://dhhs.ne.gov/Pages/DHHS-Gives-Update-on-Medicaid-Rate-Adjustments-Sets-Record-Straight-on-Misinformation.aspx>.

⁹ *Supra*, note 7 at 2.

¹⁰ *Id.* at 7.

A December 2025 interim report by the Nebraska Auditor of Public Accounts found more examples where Medicaid paid for personal assistance and personal care services that had numerous billing issues, including inadequate supporting documentation, excess billing hours, providers working multiple jobs in addition to caretaking, providers caring for too many clients at one time, and claims for weekly services that were being provided daily.¹¹ The state auditor randomly selected five personal assistance services providers and found that all five providers had issues in their claims.¹² This finding came shortly after an alarming report by the state auditor in 2024, that estimated up to \$1.5 million in questionable billings to Nebraska Medicaid for personal care and personal assistance services.¹³ The state auditor found similar billing patterns to the most recent interim report, including suspected fraud and billing for “impossible” work weeks of 118 hours, a provider billing for over 80 hours a week of personal care services in three cities in one week while also maintaining two other jobs, and a provider billing for services provided while she was traveling out of state.¹⁴

Additionally, a personal assistant services provider was found guilty last year of billing over \$12,000 for services not rendered for three Medicaid recipients after being banned from the Omaha Housing Authority apartment complex in which the recipients lived.¹⁵ Last year, a former HCBS services provider, Love Community, LLC, which contracted with shared living arrangement service providers for Medicaid patients, was accused of contracting with service providers who were not in compliance with Medicaid regulations, billing for services that were rendered by a different Medicaid provider, and failing to maintain sufficient documentation, resulting in over \$211,000 in improperly paid Medicaid claims.¹⁶

Earlier this year, a former Lincoln area mental health therapist and operator of a non-profit program for at-risk youth was found guilty of submitting 226 Medicaid claims, totaling more than \$47,000 for services that were not rendered.¹⁷ In the scheme, the therapist billed for mental health services when “children were getting help with homework or playing basketball or other games.”¹⁸

¹¹ Letter from Terence Heiser, Audit Manager, Nebraska Auditor of Public Accounts, to Dr. Steven Corsi, Chief Executive Officer, Nebraska Dep’t of Health and Human Services, 3 (Dec. 1, 2025), https://auditors.nebraska.gov/APA_Reports/2025/SA25-12012025-July_1_2024_through_June_30_2025_Medicaid_Single_Early_Management_Letter.pdf.

¹² *Id.* at 10.

¹³ Cindy Gonzalez, *NE auditor: ‘Flagrant abuses.’ up to \$1.5M in questionable billings suspected in DHHS program*, NEBRASKA EXAMINER (Feb. 28, 2024), <https://nebraskaexaminer.com/2024/02/28/ne-auditor-flagrant-abuses-up-to-1-5m-in-questionable-billings-suspected-in-dhhs-program/>.

¹⁴ News Release, Nebraska Attorney General Mike Hilgers, Lancaster judge awards state nearly \$800,000 in Medicaid fraud case (Jun. 13, 2025), <https://ago.nebraska.gov/news/lancaster-judge-awards-state-nearly-800000-medicaid-fraud-case>.

¹⁵ News Release, Nebraska Attorney General Mike Hilgers, Omaha woman fined for Medicaid fraud (May 21, 2025), <https://ago.nebraska.gov/news/omaha-woman-fined-medicaid-fraud>.

¹⁶ *Id.*

¹⁷ News Release, Nebraska Attorney General Mike Hilgers, Former Lincoln area therapist sentenced for Medicaid fraud (Jan. 27, 2026), <https://ago.nebraska.gov/news/former-lincoln-area-therapist-sentenced-medicaid-fraud>.

¹⁸ *Id.*

In November 2025, a former Nebraska Department of Health and Human Services employee was arrested for falsifying documents to assist her husband with obtaining \$40,350 in Medicaid and \$2,691 in Supplemental Nutrition Assistance Program (SNAP) benefits.¹⁹ The former employee was found to have accessed her husband's case records to improperly verify his employment and write case notes.²⁰

At the Committee's request, the Centers for Medicare and Medicaid Services (CMS) briefed the Committee in January on what is currently known about the Medicaid fraud in Minnesota and actions CMS has taken to date to investigate FWA in other states. This further underscored the need for the Committee's oversight to ensure program integrity in states nationwide. The Committee subsequently launched an investigation into Medicaid fraud in Minnesota.²¹ The Committee's Subcommittee on Oversight and Investigations then held a hearing on February 3, 2026, entitled "Common Schemes, Real Harm: Examining Fraud in Medicare and Medicaid."²² The hearing examined fraud within Medicare and Medicaid, including common fraud schemes plaguing these programs, and how these schemes have changed over time; aspects of program design that make these programs vulnerable to fraud; and high risk areas for fraud in these programs.²³ The hearing reinforced that Medicaid fraud is not limited to Minnesota and confirmed that Medicaid fraud investigators "see that fraud schemes cross state lines far more than they used to."²⁴ Expert witnesses testified that Medicaid programs experiencing high rates of fraud include ABA services for children with ASD, non-emergency medical transportation (NEMT), HCBS, laboratory services, substance use disorder (SUD) treatment, and hospice.²⁵ Regarding ABA services fraud, Jessica Gay, a Certified Fraud Examiner, testified that:

¹⁹ Bill Schammert, *Former Nebraska DHHS supervisor accused of SNAP and Medicaid fraud*, KETV 7 OMAHA (Nov. 12, 2025), <https://www.ketv.com/article/former-nebraska-dhhs-supervisor-accused-snap-medicaid-fraud/69408586>.

²⁰ *Id.*

²¹ Letter from The Hon. Brett Guthrie, Chairman of H. Comm. on Energy & Commerce, et al., to The Hon. Tim Walz, Governor of Minnesota and Temp. Comm'r, Minnesota Dept. of Human Services (Jan. 16, 2026), https://d1dth6e84htgma.cloudfront.net/1_16_2026_MN_Medicaid_Fraud_Letter_944a806843.pdf.

²² *Common Schemes, Real Harm: Examining Fraud in Medicare and Medicaid: Hearing Before the H. Comm. on Energy & Commerce, Subcomm. on Oversight & Investigations*, 119th Cong. (Feb. 3, 2026), <https://energycommerce.house.gov/events/oversight-and-investigations-common-schemes-real-harm-examining-fraud-in-medicare-and-medicaid>.

²³ *Id.*

²⁴ *Id.* at 35 (statement of Kaye Lynn Wootton, President, National Association of Medicaid Fraud Control Units), Unofficial Hearing Transcript.

²⁵ See *Common Schemes, Real Harm: Examining Fraud in Medicare and Medicaid: Hearing Before the H. Comm. on Energy & Commerce, Subcomm. on Oversight & Investigations*, 119th Cong. at 9 (Feb. 3, 2026) (written testimony of Kaye Lynn Wootton, President, National Association of Medicaid Fraud Control Units), <https://docs.house.gov/meetings/IF/IF02/20260203/118917/HHRG-119-IF02-Wstate-WoottonJDK-20260203.pdf>; see also *Common Schemes, Real Harm: Examining Fraud in Medicare and Medicaid: Hearing Before the H. Comm. on Energy & Commerce, Subcomm. on Oversight & Investigations*, 119th Cong. at 4 (Feb. 3, 2026) (written testimony of Jessica Gay, Vice President and Co-Founder, Integrity Advantage), <https://docs.house.gov/meetings/IF/IF02/20260203/118917/HHRG-119-IF02-Wstate-GayCPCAHFICFEJ-20260203.pdf>.

The concerns around these [ABA] services and misuse of millions of dollars of resources are discussed at every program integrity conference I've attended for the past several years. It should be on every state's radar; we started working ABA cases in the CHIP spaces 6 years ago. If a state isn't monitoring ABA services closely, they are likely missing a considerable area where FWA is committed.²⁶

Mrs. Gay further noted that in Medicaid programs relying on self-attestation, such as HCBS, "there needs to be additional oversight in our self-reporting across the board for eligibility both for provider participation as well as member eligibility."²⁷ Additionally, Kaye Lynn Wootton, President of the National Association of Medicaid Fraud Control Units, testified that:

Non-Emergency Medicaid Transportation fraud schemes include providers illegally billing Medicaid for: (1) "ghost rides" that were never provided; (2) tolls that were never incurred during trips, (3) individually billed rides when group rides were actually provided; (4) trips that were falsely billed when recipients were deceased, incarcerated or hospitalized; (5) trips provided by providers that paid kickbacks to Medicaid recipients to induce them to choose that provider to provide transportation; and (6) trips that never occurred but for which the provider paid the recipient a kickback.²⁸

Ensuring Medicaid program integrity is critical to preserving access to vital health care services for those that need it most. Every dollar stolen from the Medicaid program by fraudsters is taken from children, pregnant women, the elderly, and people with disabilities. It is the duty of states to design Medicaid programs with adequate fraud control measures and work with CMS to swiftly identify and address vulnerabilities in programs. To assist the Committee in its oversight, please provide written responses and all responsive documents regarding Medicaid program integrity by March 17, 2026:

1. What actions, if any, are being taken to identify, assess fraud risk, and investigate Medicaid fraud schemes that may be occurring in the state?
 - a. Please provide all audits related to fraud, waste, and abuse in the state's Medicaid programs including audits completed by third-party contract auditors, from January 1, 2021, to present.

²⁶ *Common Schemes, Real Harm: Examining Fraud in Medicare and Medicaid: Hearing Before the H. Comm. on Energy & Commerce, Subcomm. on Oversight & Investigations*, 119th Cong. at 4 (Feb. 3, 2026) (written testimony of Jessica Gay, Vice President and Co-Founder, Integrity Advantage), <https://docs.house.gov/meetings/IF/IF02/20260203/118917/HHRG-119-IF02-Wstate-GayCPCAHFICFEJ-20260203.pdf>.

²⁷ *Common Schemes, Real Harm: Examining Fraud in Medicare and Medicaid: Hearing Before the H. Comm. on Energy & Commerce, Subcomm. on Oversight & Investigations*, 119th Cong. at 26 (Feb. 3, 2026) (statement of Jessica Gay, Vice President and Co-Founder, Integrity Advantage), Unofficial Hearing Transcript.

²⁸ *Common Schemes, Real Harm: Examining Fraud in Medicare and Medicaid: Hearing Before the H. Comm. on Energy & Commerce, Subcomm. on Oversight & Investigations*, 119th Cong. at 11 (Feb. 3, 2026) (written testimony of Kaye Lynn Wootton, President, National Association of Medicaid Fraud Control Units), <https://docs.house.gov/meetings/IF/IF02/20260203/118917/HHRG-119-IF02-Wstate-WoottonJDK-20260203.pdf>.

- b. Are any audits of the Medicaid program ongoing? If so, please detail the type of audits that are ongoing.
2. What program integrity measures are currently in place to prevent FWA in your state's Medicaid programs?
3. Describe the process for making criminal referrals for suspected Medicaid fraud to state, local, and federal law enforcement agencies.
4. What steps are being taken to sanction or disenroll fraudulent Medicaid providers? Please provide information about any sanctions or disenrollments of fraudulent providers, including all evidence supporting disenrollment proceedings.
5. How are Medicaid service providers screened for compliance with federal law?²⁹ Please describe the process for screening, enrolling, and revalidating Medicaid providers, including but not limited to credentialing and site visits.
 - a. Are additional provider screening efforts imposed in addition to federal requirements to screen, enroll, and revalidate Medicaid providers?³⁰ If yes, please describe these processes.
 - b. How frequently are on-site visits conducted by your state for Medicaid providers by federal screening risk category (limited, moderate, and high-risk), including out-of-state providers?
 - c. Are any programs, provider types, or enrollment pathways exempt from on-site visits, and what statutory or regulatory authority permits those exemptions?
6. How does your state designate and evaluate risk level of provider types in the Medicaid program in accordance with 42 C.F.R. § 455 subpart E? Please provide the state's current Medicaid programs classified by screening risk level (limited, moderate, and high categorical risk).
 - a. Have any Medicaid programs' categorical risk levels been reassigned since January 1, 2021? If so, please describe which program(s) were reassigned, including any supporting evidence that contributed to risk reassignment.
 - b. How often does your state reevaluate Medicaid provider screening risk level?
7. Does your state collect data on Medicaid programs with abnormal or statistically significant increases in provider enrollment or claims over time, including programs which greatly exceed their estimated cost upon enactment?

²⁹ Screening levels for Medicaid providers, 42 C.F.R. § 455 subpart E (2011).

³⁰ *Id.*

- a. If so, please detail the programs that have experienced abnormal or statistically significant increases since January 1, 2021, the data that was collected on the programs, and how this data has been used to inform assessments of program vulnerability to FWA.
 - b. Is your state utilizing innovative tools, including but not limited to identity verification, artificial intelligence, and data analytics, to detect irregular Medicaid claims activity? If so, please describe these tools.
 - c. If you don't collect this data, why not?
8. Please provide information on active Section 1115 and 1915 demonstrations and waivers, from January 1, 2021, to present, including:
 - a. program name;
 - b. provider category risk level;
 - c. effective date;
 - d. spending;
 - e. enrollment;
 - f. services offered;
 - g. FWA measures; and
 - h. eligibility.
9. Please provide information regarding improper payments and recovery efforts in your state's Medicaid program, including:
 - a. Total Medicaid improper payments identified annually from January 1, 2021, to present, broken out by provider type and service category where available.
 - b. Total recoveries and recoupments of improper Medicaid payments annually from January 1, 2021, to present.
 - c. The average amount of time between identification of suspected fraudulent or improper payments and recovery, enforcement action, or case resolution.
 - d. The extent to which the state utilizes payment suspension authority pursuant to 42 CFR § 455.23, including the number of payment suspensions issued annually since January 1, 2021, and the provider types or services impacted.
 - e. The extent to which the state has pursued civil enforcement actions, including actions under state or federal False Claims Act authorities, related to Medicaid FWA since January 1, 2021.
10. Please provide information regarding screening, oversight, and enforcement actions related to Medicaid fiscal intermediaries, including:
 - a. Screening, enrollment, credentialing, and monitoring requirements for fiscal intermediaries participating in Medicaid programs.
 - b. Oversight mechanisms used to monitor caregiver time reporting, billing accuracy, and verification of services furnished through fiscal intermediaries.

Letter to Governor Pillen and Dr. Corsi

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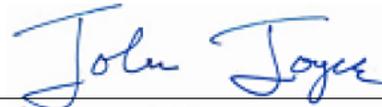
- c. The frequency and scope of audits conducted on fiscal intermediaries since January 1, 2021, including audits conducted by the state or third-party contractors.
- d. The number of fiscal intermediaries that have been terminated, sanctioned, suspended, or otherwise subject to corrective action since January 1, 2021, and the basis for those actions.

If you have any questions about this request, please contact the Majority Committee Staff at (202) 225-3641.

Sincerely,



Brett Guthrie
Chairman
Committee on Energy and Commerce



John Joyce, M.D.
Chairman
Subcommittee on Oversight and
Investigations



H. Morgan Griffith
Chairman
Subcommittee on Health

cc: The Honorable Frank Pallone, Jr., Ranking Member, Committee on Energy and Commerce
The Honorable Yvette D. Clarke, Ranking Member, Subcommittee on Oversight and Investigations
The Honorable Diana DeGette, Ranking Member, Subcommittee on Health