

Dr. Oz Orders Full-Scale Federal Audit of Minnesota Medicaid Under Tim Walz — Fraud Will Be Clawed Back and Withheld From Future Funding | The Gateway Pundit

GP thegatewaypundit.com/2026/01/dr-oz-orders-full-scale-federal-audit-minnesota

Jim Hoft

January 7, 2026



Dr. Mehmet Oz drops the hammer on Minnesota corruption

Dr. Mehmet Oz, acting Administrator of the Centers for Medicare & Medicaid Services (CMS), has formally notified Tim Walz that every Medicaid billing submission in Minnesota will be audited—and that fraudulent claims will be clawed back and withheld from future federal funding.

In early December 2025, CMS Administrator Dr. Mehmet Oz sent a formal letter and issued a public ultimatum to Minnesota Governor Tim Walz regarding the “systemic fraud” in the state’s Medicaid programs, potentially exceeding \$1 billion.

Dr. Oz wrote at the time:

"You've probably heard the news by now: Minnesota fraudsters stole over \$1 billion from Medicaid. And you deserve an explanation.

Our staff at CMS told me they've never seen anything like this in Medicaid — and everyone from Gov. Tim Walz on down needs to be investigated, because they've been asleep at the wheel. Based on what we know now, this is a clear dereliction of duty.

First, the facts:

In recent years, Minnesota Medicaid launched several new programs, including Housing Stabilization Services, which helped disabled homeless individuals, and Early Intensive Developmental and Behavioral Intervention, which reimbursed therapy costs for families with autistic children.

Some bad actors in Minnesota's Somali community decided to game the system. And when they got away with it, they decided to go bigger.

The housing program was supposed to cost \$2.6 million dollars annually. Last year, it paid out over \$100 million. The autism program ballooned from \$3 million in 2018 to nearly \$400 million in 2023.

These scammers used stolen taxpayer money to buy flashy cars, purchase overseas real estate, and offer kickbacks to parents who enrolled their kids at fake autism treatment centers. Some of it may have even made its way to the Somalian terrorist group Al-Shebab.

So why didn't Walz stop them?

That's simple: because he went all-in on identity politics.

Somalis are a huge voting bloc, and the state's leaders were afraid that "forcefully tackling this issue might cause political backlash." That's not me saying that. It's a Somali-American fraud investigator who talked to The New York Times.

Somali scammers get rich off the programs Gov. Walz was supposed to be managing. Minnesota politicians get elected with Somali votes and keep the money flowing. This isn't just fraud: it's political patronage at public expense.

When Minnesota told CMS about the problem last year, they assured us they'd handle it. By summer, it was obvious they couldn't — or wouldn't. So, we stepped in and shut down the worst program: housing. We also froze provider enrollment in a few of the most abused programs.

So where do we go from here?

To restore the integrity of the Medicaid program, Minnesota must:

1. Provide CMS with weekly updates on how the state is stopping fraud.
2. Freeze enrollment of all high-risk providers for 6 months.
3. Confirm all providers in place are legitimate or remove them.
4. Send CMS a corrective action plan of how these will prevent this from happening again.

If we're unsatisfied with the state's plans or cooperation, we'll stop paying the federal share of these programs.

[Trending: REPORT: Lt. Michael Byrd, Officer Who Shot Ashli Babbitt Dead on Jan. 6 in Cold Blood, Allegedly Operates Unaccredited Home Daycare in Maryland Tied to \\$190M in HHS Funds](#)

The message to Walz is clear: either fix this in 60 days or start looking under your couch for spare change, because we're done footing the bill for your incompetence.

With CMS on the case, these scammers and their bureaucratic enablers have nowhere left to hide. The vulnerable Americans who depend on these programs — and the taxpayers who fund them — deserve the truth."

pic.twitter.com/pjJU0tE8Py

— DrOzCMS (@DrOzCMS) [December 5, 2025](#)

In an exclusive interview with Laura Ingraham, Dr. Oz laid it all out, torching Walz and his incompetent administration for years of "sloppy behavior" that's been "bilking the federal taxpayer."

Dr. Oz made it clear that the era of rubber-stamped federal funding is over. Here's what the good doctor had to say:

Dr. Oz: "We have just sent a letter to Governor Walz alerting him to something he probably fears—and should have taken action on in a timely manner to avoid. We are auditing all Medicaid bills, in particular for the 14 programs that he and his own administration have admitted were problems, and we are going to call that money back from the Medicaid funds they would otherwise receive.

This is a major problem for the state because they must own the fact that they have been bilking the federal taxpayer for their sloppy behavior for years. What we have learned so far in Minnesota is just the tip of the iceberg—perhaps the largest Medicaid scam ever taking place throughout the state in many different forms. Even focusing only on the areas of concern we've identified, we are talking about \$500 million or more in funds that we are not even sure how they were billed, where they went, or how to track them.

We challenged the Walz administration to provide a corrective action plan by the end of the year. They sent us something after hours on New Year's Eve. It was completely insufficient.

This is an appropriate response from the federal government. President Trump has been very clear on this: he does not want fewer than six million people living in Minnesota to have the fraud that occurred in that state paid for by taxpayers across the rest of the country.

For the six million people in Minnesota, Governor Walz has let you down. His administration—despite all the blustering now—did not do its job. They did not take these very credible allegations over the last several years seriously. During my time as administrator alone, they repeatedly told us they had the situation under control. They did not.

Because the corrective action plans they submitted are inadequate, we are going to demand that they fix those problems, and we are going to call back funds to protect the federal taxpayer."