

Vance, Rosen warn Minnesota: Medicaid funds frozen as fraud prosecutions ramp up

Speaking at a press conference Wednesday, U.S. Attorney Daniel Rosen said fraud investigations and prosecutions are about to accelerate following an infusion of federal resources.

By Jenna Gloeb - February 26, 2026



Vice President JD Vance and U.S. Attorney Daniel Rosen speak at press conferences Wednesday. (White House/Alpha News)

Listen to this article
5 min

SHARE THIS STORY

One day after President Donald Trump declared fraud a top national priority in his State of the Union address, Vice President JD Vance and U.S. Attorney for Minnesota Daniel Rosen delivered back-to-back warnings that Minnesota is about to face a far more aggressive federal crackdown.

Speaking at a [press conference](#) Wednesday, Rosen said fraud investigations and prosecutions are about to accelerate following an infusion of federal resources.

Rosen: Staffing dropped, then surged

Rosen detailed the staffing decline he said his office experienced before he took the helm.

"On the last day of my predecessor's term — of Andy Luger's term — there were 64 assistant U.S. attorneys," Rosen said.

"I took office on the 10th of October. Between Andy's last day and my starting, we went from 64 down to 47. We now have 36 assistant U.S. attorneys," Rosen said.

Despite that sharp reduction, Rosen insisted the office is now better positioned than it was just months ago.

"Our resources are greater than they were two months ago by a considerable margin, and the pace of prosecutions in fraud will increase at a considerable margin," he said. "You'll see that roll out over the coming weeks and months."

Download the free Alpha News App and never miss a story

Listen to this article
5 min

More fraud prosecutions to come

Rosen acknowledged recent reporting that several assistant U.S. attorneys, including lead fraud prosecutor Joe Thompson, have left their posts but said the office is more than ready to move forward aggressively.

"We have more than adequate staffing to carry out the fraud, we have been reinforced in dramatic numbers by the Department of Justice, and by other departments of the federal government," Rosen said.

He emphasized that the ramp-up is already underway.

"Fraud investigations are increasing in pace, fraud prosecutions, you will see, are going to be dramatically increasing in pace," Rosen said. "If you're committing fraud in the state of Minnesota, it's really not a good time to be doing it."

Federal Medicaid payments to Minnesota temporarily halted

Rosen's comments come as President Trump named Vice President Vance to oversee fraud enforcement efforts nationwide.

Vance held his own press conference on Wednesday and [announced](#) that nearly \$260 million in Medicaid funds for Minnesota will be withheld pending investigation due to fraud concerns.

Vance and Administrator of the Centers for Medicare & Medicaid Services (CMS) Dr. Mehmet Oz said Gov. Tim Walz has 60 days to submit a "corrective action plan" or risk additional federal withholdings.

"We have decided to temporary halt certain amounts of Medicaid funding that are going to the state of Minnesota in order to ensure that the state of Minnesota takes its obligations seriously to be good stewards of the American people's tax money," stated Vance.

A press [release](#) from CMS said the \$259 million figure "includes state expenditures of \$243.8 million for unsupported or potentially fraudulent Medicaid claims and \$15.4 million related to claims involving individuals lacking a satisfactory immigration status."

Vance said the administration is seeking a basic level of accountability before federal Medicaid dollars are distributed.

"All we need is the governor and the administration in Minnesota to do something quite simple, which is to show that before you give Medicaid funds to somebody, you're taking seriously whether they provided the services that they say that they're providing," he said.

Vance went on to criticize what he described as unchecked spending.

"And the fact that there are so many people handing out millions and billions of dollars of federal Medicaid money without even confirming that they're doing the thing that they say that they're doing — it's a disgrace, it's a defrauding of the American taxpayer, and we're stopping it."

Walz responds

Gov. Walz took to X to push back against Vance's remarks and the administration's actions.

"This has nothing to do with fraud," [Walz posted](#). "The agents Trump allegedly sent to investigate fraud are shooting protesters and arresting children. His DOJ is gutting the U.S. Attorney's Office and crippling their ability to prosecute fraud. And every week Trump pardons another fraudster."

[Read Alpha News' ongoing coverage of fraud in Minnesota](#)

Listen to this article
5 min



Download the free
Alpha News App and
never miss a story

 [SHARE THIS STORY](#)



Jenna Gloeb

[Website](#)

Jenna Gloeb is an Edward R. Murrow Award-winning journalist, media producer, public speaker, and screenwriter. Most recently, she worked as a reporter and on-air host for CCX Media. Jenna is a Minnesota native and resides in the Twin Cities with her husband, son, daughter, and two dogs.

Listen to this article
5 min

 ✕
Download the free
Alpha News App and
never miss a story

