

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Full Committee Ranking Member Frank Pallone, Jr.

Hearing on “Common Schemes, Real Harm: Examining Fraud in Medicare and Medicaid”

February 3, 2026

As anyone who has been around long enough knows, fraud is a very real persistent challenge. Fraud happens in both red states and blue states, but the word fraud has unfortunately become a convenient excuse for Republicans to choose to do whatever they want.

Their solution to combating elusive claims of fraud in Medicaid was cutting millions of Americans off of their health coverage, and instead giving money to companies like Deloitte to push eligible beneficiaries off of the Medicaid rolls.

Republicans’ Big Ugly Bill is cutting \$1 trillion from our health care system, while also stripping health care away from 15 million Americans and closing hospitals and nursing homes all around the nation.

And now fraud is being invoked as a justification for federal agents terrorizing communities. The Trump administration is using claims of fraud in state programs, including Medicaid, as an excuse to recklessly deploy Department of Homeland Security (DHS) officials from Immigration and Customs Enforcement (ICE) and Customs and Border Protection in Minneapolis, Minnesota. But it has become clear that this was purely a pretext for the administration to continue targeting the states and cities President Trump views as political adversaries.

Instead of providing assistance to Minnesota and other states in protecting federally funded programs from waste, fraud, and abuse. The Trump administration is mobilized to take drastic, punitive measures that do nothing to harm the bad actors that perpetrate waste, fraud, and abuse, and instead harm the people who count on these programs for their health care and their livelihood.

In December, the Department of Homeland Security began Operation Metro Surge in Minnesota with the alleged purpose of cracking down on fraud and illegal immigration.

Since that time, two innocent Minnesotans, Renée Good and Alex Pretti, have been shot and killed by federal agents and countless more have been terrorized and traumatized.

Renée Good was shot multiple times, and federal agents on the scene refused to allow a doctor who was on site to administer first aid. Rather than investigating the shooting, the Department of Justice instead pushed prosecutors to investigate Renée Good and her widow. At

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least 14 federal prosecutors, as of today, have resigned in protest. All told, the Minnesota U.S. Attorney's Office, which handles these fraud cases or prosecutions, is at half its strength.

Alex Pretti was an ICU nurse who worked at a VA hospital. Video shows he was trying to assist and protect a woman who had been shoved by an agent, when he himself was tackled by multiple agents and then shot by two of them.

These are two lives lost in a matter of weeks, due to the unjustified invasion of federal forces into an American city on the pretext of addressing fraud. And the Republicans on this committee are complicit.

Last month, Attorney General Bondi sent a letter to Minnesota Governor Tim Walz seeking to extort sensitive health and voter data in exchange for federal forces withdrawing. In her letter, she cited to an investigation by Committee Republicans as a justification. Now, the Department of Homeland Security operations in Minneapolis must cease immediately for the safety of all, and a thorough, independent investigation must be conducted into these two murders.

It's also time for the Trump Administration to begin work with the states and communities that investigate and prosecute fraud. Instead of providing assistance to Minnesota and other states in protecting federally funded programs from waste, fraud, and abuse, the Trump administration has mobilized to take drastic, punitive measures that do nothing to harm the bad actors.

After all, when it comes to taking real productive steps to prevent and punish fraud, the Republicans failed to do so. Committee Republicans have ignored our requests for a hearing to examine Trump's firing of at least 17 Inspector Generals, including the Inspector General of the Department of Health and Human Services. Inspector Generals, are the very people who work to prevent and detect fraud and abuse in our federal agencies. And Republicans have silently stood by as Trump fired 17 of them.

Now, Republicans also refuse to join us in raising concerns when DOJ's pushed out career staff at the HHS office of the Inspector General. And they haven't said a thing about Trump continuing to pardon criminals who were convicted of Medicare and Medicaid fraud.

If you want to get serious about waste, fraud and abuse, start with President Trump and the harm he's doing to our nation. His federal agents are laying waste to our communities. His actions are making fraud worse, not better. And he is abusing his authority every day.

And with that, Mr. Chairman, I yield back the balance of my time.