

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

Hearing on “Protecting Patients and Safeguarding Taxpayer Dollars: The Role of CMS in Combatting Medicare and Medicaid Fraud”

March 17, 2026

Thank you, Mr. Chairman. The Trump administration and congressional Republicans are continuing their crusade of ripping health care away from the American people while they spend billions of dollars on an unnecessary war in Iran that is jacking up gasoline prices for an American public that cannot afford it.

From the very beginning of this Trump administration, there's been a lot of big talk about fighting fraud. But in reality, President Trump has pardoned fraudsters and fired the very people in our federal agencies who fight fraud. Right out of the gate, President Trump fired HHS Inspector General Christi Grimm, who had overseen massive, successful investigations and prosecution of fraudsters. And federal prosecutors in Minnesota who have been working with the state to fight fraud, resigned in protest of the Trump administration's lawless rampage in Minneapolis, which left two innocent Americans dead.

Let me put this simply, Democrats want to fight fraud because they want to ensure every dollar is going to the people that need essential services. We believe that states and the federal government must be partners in fighting fraud. It's the only way to do it.

It's time for Republicans to drop the pretense that this is all about fraud. It is not. Instead, it is about covering up for their terrible health care policies that are stripping health care away from millions and driving up costs that make health coverage out of reach for millions more. Their \$1 trillion in health care costs will shutter hospitals and nursing homes, and make nursing homes less safe by dramatically reducing staffing and safety standards. Now, the Republican assault on health care will rip health care away from 15 million Americans and has already jacked up monthly health care premiums for 20 million Americans. In some instances, either double or triple the prices that they were paying.

Instead of spending billions of dollars on the Iran War, they should use the money to bring back the ACA enhanced premiums tax credits, which they let expire.

Over the past two months, the Trump administration has acted to withhold billions of dollars of federal Medicaid funding in Minnesota for services like home health care services for the elderly and disabled people, families who rely on support for autistic children, as well as services that help people suffering from a substance use disorder. And they're now preparing to go after more states for no other reason that they are run by Democrats. The Trump

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administration has sent letters with similar actions in California, Maine and the ranking member of the subcommittee mentioned now Florida.

Unfortunately, the Trump administration is not acting alone. Committee Republicans are now supporting these intimidation tactics by launching a scattered investigation of 11 states.

Instead, we should be investigating war profiteering by the president's friends, the oil companies who are making more money by jacking up oil prices. It does not matter that Minnesota has taken extensive efforts to crack down on the bad actors that perpetrate fraud.

Instead of being a partner in anti-fraud efforts, the Trump administration's Centers for Medicare & Medicaid Services has refused to collaborate with Minnesota and is continually moving the goalposts, threatening to cut off all the funding the state receives for 14 critical health services. Meanwhile, Dr. Oz is painting all Somali Americans as fraudsters in Minnesota and paints Armenian Americans in California with the same brush. And Dr. Oz is handing over data from CMS to ICE so they can continue their racist policies against Latino Americans.

I mean, the list goes on, and I don't even know where to begin. But the bottom line is, the only fraud here is by the Trump administration and congressional Republicans who refuse to take care of people, refuse to lower health care costs, or improve people's lives while they continue an irresponsible war and immigration policies that are simply wrong.

That's the fraud. The fraud is on them. I yield back.