United States Senate
SPECIAL COMMITTEE ON AGING
WASHINGTON, DC 20510–6400
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August 13, 2026

Attorney General Letitia A. James
New York State Office of the Attorney General
Justice Building, 2nd Floor
Albany, NY 12224-0341

Dear Attorney General James:

As Chairman of the Senate Special Committee on Aging, I write regarding serious concerns about the performance of the New York Medicaid Fraud Control Unit (MFCU) during your tenure as Attorney General. Since you assumed office, fraud indictments and convictions secured by the Unit have declined dramatically, culminating in the U.S. Department of Health and Human Services Office of Inspector General's (OIG) unprecedented decision to decertify New York's MFCU and suspend future grant funding. OIG's findings describe a pattern of failures, leaving New York's seniors and other vulnerable Medicaid beneficiaries at risk, even as federal taxpayers continued to fund the program.

The numbers are striking. From 2023 through 2025, New York secured only 53 Medicaid fraud convictions, while the next-lowest comparable state secured 129. In four of the past five years, New York recorded fewer than ten criminal fraud indictments, ranking last among similarly situated states every year from 2021 through 2025. These figures are difficult to reconcile with the size and complexity of New York's Medicaid program. A state serving millions of beneficiaries that generates so few prosecutable cases raises serious questions about the priorities and effectiveness of your office's enforcement efforts.

The timing of this collapse is hard to ignore. You were sworn in as New York's Attorney General in January 2019. In the years immediately following, New York MFCU's performance fell off a cliff: fraud convictions dropped from 56 in 2019 to just 14 in 2020, and patient abuse and neglect convictions collapsed from 30 to 4 over that same period. The MFCU ranked among the top of similarly sized MFCUs for patient abuse and neglect convictions as recently as 2017, yet from 2020 onward, it fell dramatically, ranking last among similarly sized states in five consecutive years, from 2021 through 2025.

Most troubling is the drastic drop in patient abuse and neglect prosecutions, which directly affect elderly and disabled Medicaid beneficiaries. New York ranked last among its peer states in this category for five consecutive years, securing only four convictions total from 2023 to 2025. During that time frame, the next lowest comparable state recorded 18

convictions. The Unit receives more than 2,000 abuse and neglect allegations annually yet secured only one or two convictions in each of the past three years. Those numbers strongly suggest that most allegations are either not being successfully investigated or are otherwise failing to result in criminal accountability.

OIG's onsite review further found that the Unit failed to reliably track the disposition of cases referred to other prosecuting authorities. As a result, providers convicted of abusing or neglecting vulnerable patients may never have been referred for mandatory exclusion from participation in Medicare and Medicaid. Allowing individuals convicted of abusing Medicaid beneficiaries to remain eligible to participate in federally funded healthcare programs presents an unacceptable risk to patient safety.

OIG's review makes clear this was not for lack of money or staff but rather a deliberate leadership decision, based on a strategic plan dating to 2015, to deprioritize criminal fraud and patient abuse cases in favor of complex civil litigation. Prioritizing civil cases is within a state's purview, but ignoring the other half of your obligations is not. For six consecutive years, the New York MFCU has not just trailed its peers in criminal recoveries; it has stood in a category of its own, recovering only a fraction of what similarly sized MFCUs routinely secure. For every taxpayer dollar spent in New York, $1.84 is returned compared to a national average of $4.64 in 2025.

The poor return on investment for New York's MFCU has been consistent, lagging behind the national MFCU average in five of the last six years. A state the size of New York, funded at $60 million per year in federal funds and maintaining a staff of more than 270 employees, should not be returning less than half the national average and then touting its presence in a press release as a 'national leader in effectively investigating and prosecuting Medicaid fraud schemes.' That reeks of statistical illiteracy, not outperformance.

For these reasons, it is my belief that your office has failed to adequately enforce Medicaid fraud and elder abuse, which has left seniors and disabled patients directly in harm's way.

Request for Action

I request that the New York Attorney General's Office provide our office with:

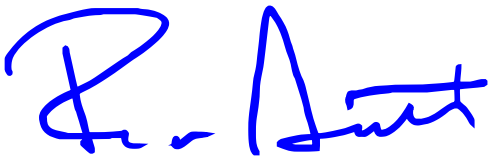
1. Copies of the corrective action plans your office submitted to the OIG, covering staffing, referrals, case progression, and cooperation, to achieve full recertification before the September 30, 2026, deadline;
2. An explanation of why the Unit's 2015 strategic plan was allowed to persist for over a decade without producing adequate criminal enforcement outcomes; and

3. A specific accounting of the Unit's referral-tracking failures and what immediate steps are being taken to identify any providers convicted of patient abuse or neglect who have not yet been referred to OIG for mandatory exclusion from Medicare and Medicaid.

Collectively, these failures have weakened New York's efforts to combat Medicaid fraud, reduced accountability for those who abuse vulnerable patients, and jeopardized the integrity of federally funded healthcare programs.

Many of New York's Medicaid beneficiaries are seniors who cannot easily advocate for themselves. They deserve an Attorney General who treats the investigation and prosecution of Medicaid fraud and patient abuse as a core public safety responsibility. I look forward to your prompt response and expect this matter to receive the attention and urgency it warrants.

Sincerely,



Rick Scott
Chairman
Senate Special Committee on Aging