



THE WHITE HOUSE TASK FORCE TO ELIMINATE FRAUD



MAY 7, 2026

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The UCOWF recommended executive actions to address program integrity issues across federal public assistance programs that do not rely upon Congress:

ALL PROGRAMS:

1. Establish and require minimum IDENTITY requirements in all programs.

There are no requirements for Medicaid, and antiquated requirements in SNAP and TANF (even a photo-shopped library card or Costco card suffices). USDA guidance allows recipients to “opt-out” of online identity verifications. The US Department of Labor enacted strict requirements during the Covid Pandemic Health Emergency (PHE) for Pandemic Unemployment Assistance. No standards exist for call-centers, a significant vulnerability. *A universal standard is necessary, and regulatory authority exists for each agency to address this as a priority recommendation from the Task Force.*

2. Eliminate reliance on SELF-ATTESTATION (a/k/a honor system, self-certification).

As Stephen Miller, White House Deputy Chief of Staff for Policy, astutely stated during the Task Force kick-off meeting, all public assistance programs are built upon a high-trust moral society. Today’s crisis is the result of relying on the honor system instead of a “trust but verify” administrative policy. The Affordable Care Act mandates states accept Medicaid beneficiary self-attestation and prohibit states from conducting independent eligibility verifications or requiring documentation. SNAP and TANF similarly allow states to administer the federal programs on the honor system. Some states even use the term, “over-verification” to describe a state requiring validation in all eligibility fields, including; identity, household composition, residency, citizenship, income, assets, criminal convictions, age, date of birth, or to refute “questionable information.” For example: an applicant may have a “deceased” flag, but over the phone the person says, “I’m obviously alive” – so the state accepts the self-attestation and ignores the deceased flag... this is how synthetic identities and ineligible non-citizens easily become enrolled in programs. *Self-attestation should only be used when independent verifications do not return information, and documentation provided by applicants should be vetted for authenticity (i.e., an uploaded driver’s license or passport should be screened for indicators it has been edited/falsified).*

3. Address Dual-Enrollment.

States need a holistic approach and solution to dual participation in programs. UCOWF has written and testified about the Biden Administration’s “bait and switch” with the National Accuracy Clearinghouse (NAC). USDA leadership is aware and yet the Biden NAC is still in existence. UCOWF has concerns about CMS building a “new PARIS” internally. In February 2025, PARIS reported over 3.2 million individuals were dual enrolled in Medicaid and SNAP/TANF. The problem extends to SNAP and all programs.

4. **Require States to Adequately Staff Fraud/Program Integrity Units.**

Nearly all state and county agencies are understaffed in units responsible for fraud prevention, detection, and prosecution. Current antiquated regulations only require fraud detection units when a “catchment area” exceeds 5,000 households – no standard in the amount of program integrity staff is defined, and the “area” can include the entire state or be addressed by part-time staff with other responsibilities. (7 CFR 272.4(g)) There are no minimum fraud investigator staffing requirements in Medicaid, TANF, Unemployment, WIC, etc. Guidance on minimum staffing levels is warranted as agency minimum standards are vitally and critically non-existent.

5. **Fund the Fix.**

Placing fiscal penalties on Payment Error Rates (PER) is actually counter productive. Error rates are not fraud – in SNAP, a case under fraud investigation is actually ignored in quality control audits. Prior to 2018 Farm Bill, states would get bonuses for low PERs. A DOJ investigation revealed states were “gaming” the system to qualify for bonuses. With multi-million-dollar fiscal penalties tied to a flawed PER process, states will focus on using/manipulating waivers and options to artificially lower PERs. HR1 did not incentivize or penalize agencies administering programs to address fraud. In SNAP, States can retain a percentage of collections – but there is no requirement to reinvest overpayment recoveries back into program integrity/ fraud prevention activities or personnel. The issue is even more problematic in Medicaid.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP):

RECIPIENTS ENROLLMENT FRAUD:

1. Eliminate Broad-Based Categorical Eligibility.

A contributor to fraud and exponential waste, this state option (loophole) extends losses to other programs, intentionally inflates recipient rolls, and foregoes necessary eligibility verifications (such as assets). The prior Trump administration almost had this removed through rule promulgation. Other state “options” (such as Simplified Reporting) and waivers should be reviewed for current needs. The American Enterprise Institute’s SNAP Reform Framework document provides a good basis for eliminating BBCE and other options that add to fraud/waste.

2. Expand Data Sharing by Removing Data Silos while Reducing Reliance on Federal Databases.

Due to federal laws, federal databases cannot be acted upon and require inefficient and administratively cumbersome re-verifications due to federal data not being “Verified Upon Receipt” (a hearsay exemption for business records that allows agencies to take immediate action). Allow program integrity investigators and auditors access to federal IRS tax return data that includes income and household composition information. Eliminate regulations that prohibit sharing data with law enforcement. In addition, regulations prohibit sharing data with law enforcement and immigration officials.

3. Revisit the “Fleeing Felons” Definition.

The 2008 prohibits “fleeing felons” from being enrolled in public assistance programs. Agency interpretation in regulations took nearly a decade to develop and the end result is overly restrictive to the point where it’s unenforceable. A more effective solution would be to prohibit individuals with outstanding (open) felony warrants from receiving federal assistance until the debt to society is paid (warrant inactivated by turning oneself in, getting a court date, etc.).

4. Require Cooperation in Administrative Reviews/Investigations.

SNAP is the only federal program that extends Miranda Rights to non-custodial administrative reviews, investigations, and hearings. SNAP recipients may refuse to cooperate with interviews regarding alleged fraud or suspicious applications and continue uninterrupted access to benefits until a hearing/trial is held and guilt determined. Yet in a Quality Control audit, a household can be disqualified for refusing to cooperate. In addition, states are not required to mandate SNAP recipients comply with child support enforcement. *For effective accountability and oversight, personal responsibility must be put back on the recipients.*

5. Align Recipient SNAP Trafficking Burden of Proof.

Despite most trafficking fraud being a quid-pro-quo transaction between dishonest recipients and retailers, they are treated differently. Retailers can be administratively removed, disbarred, and sanctioned by USDA FNS with a Preponderance of the Evidence burden of proof. Recipients require Clear and Convincing evidence, even when they fail to show for a disqualification hearing – this places state investigators at a significant disadvantage and accounts for the extremely low recipient trafficking enforcement numbers. *This can be addressed in immediate guidance with regulatory support.*

RETAILERS:

1. Require USDA FNS to Reauthorize All SNAP Retailers in High-Risk Categories.

Until this Administration, USDA FNS would not equip staff with tools to vet retailers. This has allowed normally ineligible retailers into the system (synthetic identities, stolen SSNs, deceased owners, minors owning stores, illegal immigrants receiving funds and sending money overseas, convicted felons, non-existent businesses, etc.) This is a federal responsibility to ensure only eligible retailers are authorized. In addition, without additional resources (funds and staff for USDA OIG), trafficking investigations take years. States are then required to address the recipients that trafficked benefits. This correlates to, “the USDA dumping their trash on the state’s front lawn and then complaining about the smell.” *Unfortunately, the FY2027 budget did not indicate funding for this initiative – yet CMS recently asked all states to re-authorize high-risk Medicaid providers (a state responsibility). USDA should be equipped and required to do the same.*

2. Require Retailers to Cooperate in Recipient Fraud Investigations as a Condition of SNAP Authorization.

Less than 20% of welfare fraud investigators hold sworn law enforcement credentials with subpoena authority. Yet nearly all SNAP authorized retailers will not comply with requests for video or transaction evidence needed in identity fraud, trafficking, and other recipient fraud

investigations. USDA FNS has several current hooks to issue immediate guidance on this as a clarification of existing authorization, information-request, disclosure, and program integrity duties under existing regulations. *For effective administration and program oversight, USDA should immediately require SNAP retailers to comply with state and county recipient investigations as a condition of continued SNAP authorization.*

3. Eliminate Common EBT PIN numbers and Out of State Usage.

Four digit PIN numbers are easy to guess, and PINs of 1-2-3-4, 1-1-1-1, 2-2-2-2, etc – contributed to the well-documented EBT skimming/ Account Takeover of real SNAP recipient funds. Similarly, states allow recipients to turn OFF out of state purchases (OOS) due to interstate fraud rings. The burden of protecting benefits should not be put back on recipients when EBT vendors have the capability to turn off all OOS redemptions and allow recipients to turn them on. It's common sense to expect SNAP benefits be spent in the state responsible for administering the benefits. *This can be done through guidance and regulatory changes.*

4. Require retailers provide up-to-date information to USDA FNS.

When the 2014 Farm Bill took Point-of-Sale device issuance and monitoring of Third Party Processors away from USDA FNS, EBT fraud exploded and remains unabated today. To combat this, *USDA FNS should require authorized SNAP and WIC retailers to provide current contact, bank account routing, and Third Party Processor information as a condition of authorization.*

5. Add disqualified retailers to the Treasury DoNotPay and USDA eDRS systems.

Retailers removed or sanctioned from SNAP or WIC are not added to federal sanction lists, such as Treasury's DoNotPay. Retailer owners who defraud the government should also be added to the Electronic Disqualified Recipient System. *Individuals who defraud the program as a retailer should be allowed to receive benefits, and vice-versa. This does not require rulemaking.*

MEDICAID:

1. Require CMS Issue Regulations on Medicaid Beneficiaries.

A massive gap exists in the lack of regulations and guidance on beneficiary fraud despite massive fraud schemes and public data (such as the 2025 \$14 billion Medicaid/Medicare Russian fraud ring and GAO/HHS OIG reports of existing ineligibility and identity fraud). Neither the Affordable Care Act or implementing regulations address beneficiary fraud detection, investigation, or the recovery of funds. When CMS issued their "CRUSH Fraud RFI," they again focused on providers and ignored beneficiaries. An opportunity exists – a blank slate – to reform the program and shore up beneficiary fraud. *CMS must be required to issue regulations that clearly codify under existing authority, the expectations of each state Medicaid agency.*

2. Mandate CMS Provide Guidance on Rescinded SMD #24-005.

Post-election (December 5, 2024), the Biden administration issued a directive to states prohibiting sanctions and the recovery of Medicaid funds lost to beneficiaries who commit fraud to obtain coverage. The prohibition unlawfully prohibited the collection and recovery of state capitation

payments, even under criminal sentencing, under the threat of withheld federal funds (FMAP). As a result of multiple letters and requests, CMS rescinded SMD #24-005 on May 1, 2025. Despite the rescission, CMS staff have notified all states that while the memo is rescinded, the provisions and prohibitions remain. A year later, confusion still exists – most states still do not investigate, enforce, or collect Medicaid improper payments from individuals who commit fraud. CMS leaders have inexplicably refused to address this despite numerous requests and inconsistent with President Trump and Administrator Dr. Oz's statements and instructions. CMS must issue common sense guidance as directed and approved by the Task Force.

3. Establish Disqualification/Sanction Penalties for Beneficiary Fraud.

Related to the above, no penalties or sanctions exist for individuals who provide false Medicaid applications or cooperate in false billing schemes. Without consequences for illegal behavior, it's no wonder that Medicaid has become a magnet for fraud. Due process procedures already exist in entitlement programs such as SNAP that can be used in Medicaid (see 7 CFR Part 273). The Task Force should request both Congress and CMS provide penalties that temporarily or permanently prohibit government sponsored participation in Medicaid as a result of an administrative or criminal violation of program rules.

4. Enforce the Law.

While CMS has threatened states with financial penalties for fraud control activities relating to beneficiaries, they refuse to follow or implement the Medicaid Extenders Act of 2019 (P.L. 116-3). States are required to conduct asset verifications on Non-MAGI Medicaid (Aged, Blind, & Disabled benefits). Yet when California applied to waive asset tests (as a move to Universal Care), CMS not only approved their request, but never applied the law and required FMAP penalties. Illinois currently has state legislation that mirrors the California situation. CMS should be instructed to follow the law and apply the required penalties to protect against these situations in which fraud and waste thrive.

5. Issue Guidance on the 1634 Loophole.

Social Security §1634 allows a state to automatically issue Medicaid benefits when the Social Security Administration (SSA) approves individuals for SSI/SSDI without a separate application – a commonsense initiative that benefits state agency program administration and eligible individuals. However, a massive fraud/waste loophole exists for the 34 states (plus District of Columbia) that use the 1634 option. First, it assumes SSA verifies eligibility factors (they do not – on May 16, 2026, they will begin testing all new applications for assets under the AFI program – but this does not apply to recertifications or existing SSI/SSDI enrollees). Second, SSA does not conduct reauthorizations for Medicaid – many only see an eligibility redetermination after 7 years. Third, the Consolidated Appropriations Act of 2023 required states to redetermine eligibility for all beneficiaries, including non-MAGI. However, the mandated Medicaid Unwinding was never done on SSI/SSDI individuals – the highest expense for state/federal government. The Task Force should require CMS to instruct all 1634 states to comply with the Unwinding mandate and conduct the required Unwinding on the 1634 population.

CONGRESSIONAL NEEDS:

1. Increase State Retained Share of Recoveries.

States may retain up to 35% of SNAP fraud recoveries, and 20% of “inadvertent” household error overpayments. States used to be able to retain 50%. With HR1 increasing state administrative costs, *states should be able to retain 50% of all overpayment recoveries as an incentive of providing effective and efficient oversight and program administration*. UCOWF strongly recommends that *states be required to use those funds for anti-fraud solutions and personnel to improve program integrity*. This can be done in the 2026 Farm Bill or Reconciliation 2.0/ appropriations rider.

2. Whistle-blower Protections for Agency Staff and Contractors.

The fraud in *Minnesota has demonstrated that Whistle-blower protections must be extended to employees and contractors* who report fraud, waste, and abuse in government assistance programs. With that protection, program integrity staff should not be eligible for rewards that relate to the performance of their duties.

3. Remove the “Right to File” in SNAP.

The 1996 Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) established timeliness standards for states to process applications for food assistance. The law required states accept an application with only a name, address, and signature (N/A/S). Time standards would be initiated at that time. This has massive implications today – an application with “John Doe, homeless, and ‘X’ is all that is required on an application. Yet eligibility requires Social Security number, income and asset verifications, etc. The N/A/S “Right to File” mandate is extremely cumbersome to agencies and is a significant factor to the Payment Error Rate. *This must be modernized and minimum application standards be revisited (to include SSN, citizenship, etc)*.

4. Repeal the Motor Voter Act Provisions Applicable to Government Assistance.

The National Voter Registration Act of 1993 (P.L. 103-31) requires SNAP, WIC, TANF, Medicaid, CHIP, and state public assistance programs to provide voter registration forms to applicants – a scheme used by identity fraudsters, non-citizens, and synthetic identity fraudsters. Absent stopping this linkage, this not only pollutes a state’s voter registration data but could also impact quarterly state administrative data feeds(s) into the U.S. Census, negatively impacting the decennial census numbers used for apportionment. *Public assistance agencies must focus on proper program administration and oversight and should not be involved in registering welfare recipients to vote*.

5. Urge the Senate to Include Anti-Fraud Provisions in the Farm Bill

UCOWF officially opposes HR 7567, the 2026 Farm Bill, due to the lack of any anti-fraud or program modernization needs. The bill, now in the Senate, kicks fraud needs to 2031. The few program integrity initiatives in the draft 2024 Farm Bill were even stripped out. *Congress must address fraud, waste, and abuse in SNAP – either in the Farm Bill or through standalone federal legislation. UCOWF also recommends Title IV Nutrition be removed from the Farm Bill so farmers are not held hostage to the political fights about food assistance*.



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April 27, 2026

The Honorable J.D. Vance
Vice President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. Vice President:

On behalf of the United Council on Welfare Fraud (UCOWF), we applaud the Administration’s commitment to addressing fraud, waste, and abuse (FWA) in our federal programs. UCOWF is the ONLY national professional organization solely focused on the prevention, detection, prosecution and recovery of fraud in government public assistance programming. Our members are the literal ‘boots on the ground’ – the first responders - to these issues, 24 hours-a-day, 365 days a year protecting the beneficiaries of today and tomorrow.

To help you in our shared commitment towards this goal, UCOWF respectfully requests a meeting with the Task Force to Eliminate Fraud (Task Force) to advance targeted, high-impact reforms to strengthen program integrity across the social safety net programming, i.e., the Supplemental Nutrition Assistance Program (SNAP), Medicaid, Temporary Assistance for Needy Family (TANF), etc. As the representative of our country’s frontline investigators, we believe that our members are subject matter experts and could help inform your Task Force on the operational realities of whatever FWA reforms the Administration might be considering.

Our recommendations are grounded in real world experiences nationwide informed by persistent, documented vulnerabilities. It is our hope that we might be able to assist the Task Force, and operationalize existing statutory FWA authorities, while aligning policy and guidance to support effective enforcement – not SELECTIVE or INFREQUENT. To this end, UCOWF recommends the following:

Priority Federal Actions

1. Full Implementation of 2019 Federal Anti-Fraud Statute (Grassley)

We urge swift implementation of Senator Grassley’s 2019 statutory framework, particularly provisions designed to enhance interstate data sharing, prevent duplicate participation, and improve eligibility verification. President Trump signed the *Medicaid Extenders Act of 2019* (P.L. 116-3) that included Senator Grassley’s legislation (Section 1940(k)), but it was not implemented under President Biden. This provision requires the Secretary to reduce the FMAP for states that are not compliant with asset verification system (AVS) requirements – on their Medicaid ‘Aged, Blind & Disabled’ (ABD) population - as of January 2021. For the purposes of Section 1940(k), non-compliant states are defined as states that do not have both an approved SPA AND an ongoing, operational AVS, which would require ongoing public reporting to CMS on state operations towards these requirements.



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2. Rescission of the 2014 ACA Medicaid Transparency Regulation

UCOWF recommends rescinding the 2014 transparency regulation, which has had the practical effect of restricting state and investigative access to critical eligibility and fraud-related data. Restoring appropriate transparency is essential to enabling timely detection, case development, and prosecution. Simply put: If you are required to show a Real ID or a valid US Passport to board a plane, you should have to be able to prove who you are for entitlement benefits. HR. 1 starts this process in Medicaid with validation of the able-bodied Medicaid as of January 1, 2027, but it does nothing to curb the fraud in the 'Aged Blind & Disabled' (ABD) Medicaid population that account for as much as 1/3 of state's numerical beneficiaries but more than 60% of its Medicaid spending.

3. Formal Guidance to State Medicaid Directors

We request clear, written guidance from CMS on SMD #24-005. State Medicaid Directors and their investigatory teams desperately need clarification on the Administration's enforcement position, i.e., should they pursue fraud or not at the enrollment level. CMS TAG calls have explicitly stated as recently as October 2025 that despite multiple Presidential EOs and the formal recession of SMD #24-005 that the original guidance is still in-force. States rely on clear, consistent federal direction to ensure alignment with statutory intent, reduce ambiguity in requirements to recover improper payments and protect taxpayers. One year after its rescission, there has still been no guidance offered by CMS to SMDs or its regional offices for enforcement, meaning Biden policies are de-facto in-force.

4. End HHS and State Partners Use of Contingency Fee Contracting: The

Department of Health & Human Services needs to end the use of contingency fee contracting by CMS and its state partners. Do to concerns about lax oversight and taxpayer dollars, this practice has been banned at the Department of War under the *Covenant Against Contingent Fees*, with CMS singled out by GAO several times (i.e., <https://www.gao.gov/assets/gao-05-748.pdf>).

5. Strengthening SNAP Program Integrity -

- **National Accuracy Clearinghouse (NAC):** Compel the Department of Agriculture to implement the 2018 National Accuracy Clearinghouse as signed by President Trump. This data-matching tool is essential in ensuring cross-state integrity and eliminating rampant multi-state participation.
- **State Fraud Incentives:** Restoration of the 50% fraud retention rate to ensure states have the resources and incentive to pursue complex investigations
- **Investigative Capacity:** Establishment of mandatory minimum staffing standards for fraud investigation units nationwide. The current standard has been so twisted that in many states there are as few as 3 fraud investigators for the entire state, and in many others the 'fraud investigator' title is one of



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several hats worn by state employees detracting from their fraud fighting duties, and acts as a chilling effect to those considering this profession – all to the taxpayers detriment.

- **Pandemic-Era Policy Review:** End the pandemic-era policies that permit the online use of EBT as well as remote delivery to unregistered addresses. While well intentioned due to the pandemic, these weakened oversight – at all levels - and exploited vulnerabilities.
- **Eligibility Verification Standards:** Termination of self-attestation for eligibility determination purposes. Relying solely on self-attestation has opened massive cracks in the system, allowing ineligible individuals to slip through without proper verification.

These recommendations are practical, immediately actionable, and aligned with both statutory authority and program integrity objectives. Collectively, they would materially reduce improper payments, deter organized fraud activity, and restore public confidence in federal assistance programs.

UCOWF stands ready to support the Administration in their implementation, including providing ongoing, real-time field intelligence, policy consultation and coordination with state investigative units.

We would welcome the opportunity to meet with you and the Task Force at the earliest convenience to discuss these, other related recommendations and next steps.

Thank you for your leadership and consideration.

Sincerely,

Keith Miskie, President
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cc: HHS Secretary Kennedy, CMS Administrator Oz & U.S. Attorney Foley