

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

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March 23, 2026

The Honorable Gavin Newsom
Governor
State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

Dear Governor Newsom:

The Committee on Oversight and Government Reform is continuing its investigation into reports of widespread waste, fraud, and abuse in federally funded health care programs. Recent reporting has revealed alarming evidence of fraudulent activity in California's hospice programs, including agencies overbilling Medicare and fraudulently enrolling beneficiaries without their knowledge.¹ In California, your administration's Departments of Public Health, Social Services and Health Care Services all have a role in overseeing federally funded hospice programs.² The Committee is concerned your administration does not have sufficient internal controls to prevent and detect fraud and is not conducting proper oversight of these hospice programs. As a result, Americans across the country are paying for California's rampant hospice fraud³ and vulnerable patients are being exploited. The Committee is requesting documents and communications regarding California's oversight and internal controls to detect and prevent fraud for its federally funded hospice programs.

California has a well-documented history of fraud in its hospice programs. Your administration has been aware of credible reports of hospice fraud for at least four years.⁴ According to a March 29, 2022 report from the California State Auditor, Los Angeles County, the state's most populous county, has experienced a 1,500 percent increase in registered hospice providers since 2010.⁵ This increase, which totals more than 2,800 providers in the State, is more than six times the national average of hospice agencies relative to Los Angeles County's senior population.⁶ This is greater than the number of hospice providers in 36 states combined and 33

¹ CALIFORNIA STATE AUDITOR, CALIFORNIA HOSPICE LICENSURE AND OVERSIGHT, THE STATE'S WEAK OVERSIGHT OF HOSPICE AGENCIES HAS CREATED OPPORTUNITIES FOR LARGE-SCALE FRAUD AND ABUSE (Mar. 2022) [hereinafter "CA State Auditor"]; Rachel Gold, *et al.*, *We visited "ground zero" for hospice fraud: Los Angeles, California*, CBS NEWS (Mar. 10, 2026).

² Gold, *et al.*, *supra* n. 1.

³ William La Jeunesse, *Los Angeles hospice fraud reaches billions as Medicare providers scam federal system with fake companies*, FOX NEWS (Jan. 30, 2026).

⁴ CA State Auditor, *supra* n. 1.

⁵ Gold, *et al.*, *supra* n. 1.

⁶ CA State Auditor, *supra* n. 1.

times greater than the entire state of Florida.⁷ California’s auditors estimate that Los Angeles County hospice providers overbilled Medicare by at least \$105 million in a single year.⁸ Nationwide, hospice providers bill Medicare an average of \$13,200 per patient annually.⁹ Los Angeles County is billing Medicare about \$29,000 per patient and has the highest concentration of hospice providers in the country with 500 located within a 3 mile radius alone.¹⁰ Some providers billed as much as \$74,000 per patient.¹¹ Eighteen Los Angeles County hospice providers all using a single doctor’s Medicare provider number reportedly billed Medicare for 76,000 claims totaling nearly \$600 million between 2021 and 2024, including nearly \$210 million in 2024 alone.¹² More than 100 hospice and home healthcare agencies are registered to a single address in the Van Nuys neighborhood of Los Angeles.¹³ Recently, Centers for Medicare and Medicaid Services (CMS) Director, Mehmet Oz, estimated that Los Angeles County *alone* represents \$3.5 billion of hospice fraud, and that 18 percent of all hospice billing in the United States comes from Los Angeles County.¹⁴ Last year, California Attorney General Rob Bonta called hospice fraud in California, specifically in Los Angeles County, “an epidemic.”¹⁵

The March 2022 audit report highlighted several red flags and key warning signs of fraud: many providers are listed at the same address; very low patient counts compared with the rest of the State; patients listed as terminally ill were later discharged alive; excessive billing for services that may not have been provided; and staff were shared across multiple hospice providers.¹⁶

Despite these red flags, it appears California has enabled hospice providers to defraud the American taxpayer and exploit vulnerable patients. A whistleblower reported that California has minimal safeguards to prevent fraudsters from obtaining a hospice license, and that individuals living abroad can obtain California hospice licenses.¹⁷ The whistleblower also detailed fraudsters recruit seniors, whether sick or not, to enroll in their hospice programs in exchange for kickbacks, selling their Medicare numbers to providers who traffic enrollees between hospices if they stay too long.¹⁸ Hospices have enrolled patients who did not learn they were being defrauded until they sought Medicare coverage, harming vulnerable seniors.¹⁹

The Committee’s investigation into Minnesota’s federally funded social service programs has uncovered widespread failures by state agencies to conduct oversight, as well as a lack of

⁷ *Id.*; William La Jeunesse, *supra* n. 3.

⁸ Gold, *et al.*, *supra* n. 1.

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

¹² William La Jeunesse, *Doctor denies knowing about rampant LA-area Medicare fraud using his provider number*, FOX NEWS (Mar. 12, 2026).

¹³ *Id.*

¹⁴ William La Jeunesse, *supra* n. 3.

¹⁵ *Id.*

¹⁶ CALIFORNIA STATE AUDITOR, *supra* n. 1; Gold, *et al.*, *supra* n. 1.

¹⁷ William La Jeunesse, *supra* n. 3.

¹⁸ *Id.*

¹⁹ Gold, *et al.*, *supra* n. 1.

internal controls to detect and prevent fraud.²⁰ These fraudulent hospice schemes in California appear similar to those used by criminals in Minnesota who defrauded the social service programs by an estimated \$9 billion.²¹ Further, the Committee’s investigation described how Governor Tim Walz’s administration sought to prevent disclosures by and retaliate against whistleblowers who were reporting fraud by labeling them as “racist.”²² After CMS Director Oz highlighted a four block area in Los Angeles County that contained 42 hospice providers,²³ your office filed a civil rights complaint, calling the allegations of fraud “baseless and racist.”²⁴

To assist the Committee’s oversight of this matter, we request the following information, covering the time period January 1, 2019 to the present unless otherwise indicated, as soon as possible but no later than April 6, 2026:

1. All documents and communications among or between the Governor’s office and the Department of Health Care Services covering California’s Medicare Part A hospice programs and Medi-Cal hospice programs, including but not limited to enrollment and verification, licensure and certification, complaints against licensed hospice agencies, investigations, reimbursement requests, audit documentation, audit reports, payment reviews, and regulations that establish the process for verifying the identity and qualifications of hospice agency management personnel;
2. All documents and communications among or between the Governor’s office and the Department of Public Health covering California’s Medicare Part A hospice programs and Medi-Cal hospice programs, including but not limited to enrollment and verification, licensure and certification, complaints against licensed hospice agencies, investigations, reimbursement requests, audit documentation, audit reports, payment reviews, and regulations that establish the process for verifying the identity and qualifications of hospice agency management personnel;
3. All documents and communications among or between the Governor’s office and the Department of Social Services covering California’s Medicare Part A hospice programs and Medi-Cal hospice programs, including but not limited to enrollment and verification, licensure and certification, complaints against licensed hospice agencies, investigations, reimbursement requests, audit documentation, audit reports, payment reviews, and regulations that establish the process for verifying the identity and qualifications of hospice agency management personnel;

²⁰ See H. COMM. ON OVERSIGHT & GOV’T REFORM, THE COST OF DOING NOTHING: HOW TIM WALZ AND KEITH ELLISON FUELED MINNESOTA’S FRAUD EXPLOSION (Mar. 4, 2026).

²¹ *Id.*

²² *Id.* at 44.

²³ DrOzCMS (@DrOzCMS), X, (Jan. 27, 2026, 9:03 AM) available at <https://x.com/DrOzCMS/status/2016150183868878882?s=20>.

²⁴ Governor Gavin Newsom (@CAgovernor), X, (Jan. 29, 2026, 9:19 PM) available at <https://x.com/CAgovernor/status/2017060068081148387>.

4. All documents and communications between the Governor's office and the California Department of Justice's Division of Medi-Cal Fraud and Elder Abuse (DMFEA) covering California's Medicare Part A and Medi-Cal hospice programs including but not limited to the number of complaints received about hospice agencies, the number of investigations opened into hospice agencies for provider fraud, as well as abuse or neglect of patients in facilities receiving federal funds, reports about those investigations, the number of prosecutions against hospice providers and audits showing improper billing or fraud.

The Committee on Oversight and Government Reform is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. To arrange for delivery of documents or to ask any related follow up questions, please contact the Committee on Oversight and Government Reform Majority staff at (202) 225-5074. Thank you for your attention to this important matter.

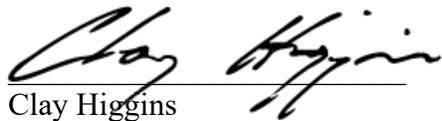
Sincerely,



James Comer
Chairman
Committee on Oversight and
Government Reform



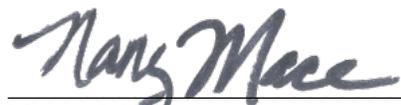
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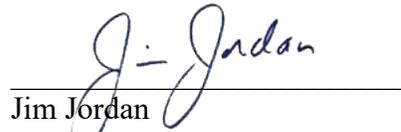
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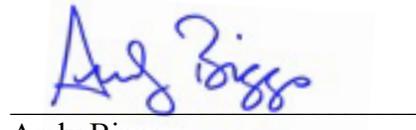
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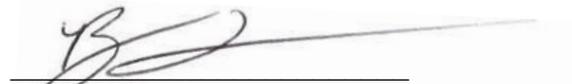
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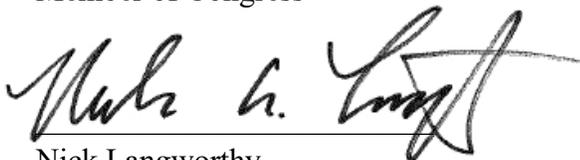
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Member of Congress



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Member of Congress

The Honorable Gavin Newsom

March 23, 2026

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Brandon Gill
Member of Congress

cc: The Honorable Robert Garcia, Ranking Member
Committee on Oversight and Government Reform

The Honorable Raja Krishnamoorthi, Ranking Member
Subcommittee on Health Care and Financial Services

The Honorable Summer Lee, Ranking Member
Subcommittee on Federal Law Enforcement

The Honorable Kweisi Mfume, Ranking Member
Subcommittee on Government Operations

The Honorable Shontel Brown, Ranking Member
Subcommittee on Cybersecurity, Information Technology, and Government Innovation

The Honorable Suhas Subramanyam, Ranking Member
Subcommittee on Military and Foreign Affairs

The Honorable Melanie Stansbury, Ranking Member
Subcommittee on Delivering on Government Efficiency

The Honorable Maxwell Frost, Ranking Member
Subcommittee on Economic Growth, Energy Policy, and Regulatory Affairs

The Honorable Jasmine Crockett, Ranking Member
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