

# U.S. Sen. Johnson: Investigates fraud in Minnesota, demands audit and inspection records

Posted on Wednesday, Feb 4, 2026

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**WASHINGTON** – Yesterday, U.S. Sen. Ron Johnson (R-Wis.), chairman of the Permanent Subcommittee on Investigations, wrote to Minnesota Department of Human Services (DHS) Temporary Commissioner Shireen Gandhi requesting records related to oversight failures, fraud detection, and program-integrity controls across 14 Medicaid service categories designated by Gov. Tim Walz (D-Minn.) as “high-risk,” as well as Minnesota’s child care assistance program. A copy of the letter was sent to Gov. Walz.

The letter follows recent public reporting on fraud in Minnesota, including a YouTube video by Nick Shirley that highlighted potentially \$111 million in improper payments and fraud at child care centers across Minnesota and raised serious questions about whether existing oversight mechanisms at DHS were sufficient to detect and prevent fraud.

“At the very least, routine DHS oversight should have identified obvious program-integrity red flags at child care centers receiving unusually large payments relative to their licensed capacity,” **Chairman Johnson wrote.**

In the letter, the chairman enclosed a list of over 70 examples of child care businesses in Minnesota that received over \$1 million in annual payments from the state in 2024. He demanded audit and inspection records connected to those entities.

“Given the pervasiveness of fraud in your state, it is past time for Minnesota to answer for its apparent failure to safeguard taxpayer dollars,” **Chairman Johnson**

**stated.**

Read more about the chairman's letter in the [New York Post](#).

The full text of the letter can be found [here](#).