



April 23, 2026

*Administrator*  
Washington, DC 20201

The Honorable Larry Rhoden  
Governor of the State of South Dakota  
500 E. Capitol Ave.  
Pierre, SD 57501

Dear Governor Rhoden:

I write to request that your Medicaid program undertake a swift revalidation of Medicaid providers of services at high risk of waste, fraud, abuse, and corruption as part of each state's program integrity obligations under federal law.

At the same time, your Medicaid leaders are being asked to provide a broader strategy on provider revalidations within 30 days. You should not, however, view that strategy as a substitute for a swift review and revalidation of high-risk providers. We are requesting that you notify us of whether you intend to carry out such a swift revalidation, along with a proposed timetable, within 10 business days of receipt of this letter. Please be advised that failure to do so will be considered as we evaluate the likelihood of fraud in each state moving forward.

Corrupt individuals and organizations masquerading as health care providers are defrauding Medicaid, and American taxpayers, of billions of dollars each year, placing valuable resources out of reach for those the program was intended to serve: low-income senior citizens, children, and disabled individuals. Classes of providers with less rigorous enrollment and billing requirements (e.g. providers without National Provider Identifiers) are most vulnerable to fraud, presenting an opportunity to scope quick and decisive action towards areas of highest risk.

It is urgent that action be taken immediately to address the rapid increase in fraud, waste, abuse, and corruption in Medicaid and to bar fraudulent actors from further abusing the program. While the factors contributing to fraud are multi-faceted and require a comprehensive approach to address, a revalidation process for high-risk providers will immediately deter criminal actors from continuing their fraud schemes as the federal and state governments closely review and scrutinize the qualifications of providers to suspend or terminate clearly abusive actors from the program. States have the ability to designate which providers are high-risk. However, CMS expects that your definition include any provider without a National Provider Identifier. My agency stands ready to provide any necessary technical assistance.

Ensuring that taxpayer funding is used in the Medicaid program to benefit only America's most vulnerable will require a coordinated effort by State and Federal governments to put an end to brazen fraud schemes that steal taxpayer dollars from programs intended to help the most vulnerable Americans. I look forward to partnering with you to fight the War on Fraud. Together, we can make Medicaid stronger and more effective for the millions of Americans it serves.

Sincerely,

A handwritten signature in blue ink, appearing to read "DR" followed by a stylized flourish.

Dr. Mehmet Oz



*Administrator*

Washington, DC 20201

April 23, 2026

Dear State Medicaid Director:

Protecting taxpayer funds from fraud, waste, abuse, and corruption is a core obligation of the Medicaid program's federal-state partnership. To this end, and pursuant to CMS' oversight responsibilities under Title XIX of the Social Security Act (Act) and state plan obligations pursuant to 1902(a)(4), 1902(a)(27), 1902(a)(77), 1902(a)(78), and 1902(kk)(4) of the Act and implementing regulations at 42 CFR §§ 431.107, 455.410, 455.414, 455.416, 455.21, and 455.450, I am formally asking that your state develop and submit a comprehensive two-year provider revalidation (PR) strategy which includes a description of how your State ensures the accuracy of your provider enrollment data through revalidation and other approaches such as provider directory validation.

CMS recognizes the significant challenges that states face in administering their Medicaid programs and that the majority of Medicaid providers are honest, hardworking, and dedicated to rendering high-quality care to beneficiaries. Nevertheless, our analysis of national trends strongly suggests a persistent and growing Medicaid threat posed by sophisticated actors knowingly exploiting these complex systems for financial gain. A foundational element of Medicaid program integrity is ensuring that only legitimate, qualified providers are enrolled and participating in the program. Confirming that each state maintains accurate and regularly updated provider enrollment information is a critical foundation of CMS' efforts to safeguard Medicaid program integrity, as it supports effective screening, monitoring, and oversight of participating providers.

A PR strategy should be tailored to the unique landscape of your State and prioritize a comprehensive review and revalidation of your State's enrolled Medicaid providers. CMS also urges you to increase oversight measures of provider types designated in the "high" categorical risk level under 42 CFR § 455.450 by adopting off-cycle or more frequent revalidation intervals than the minimum five-year requirement under 42 CFR § 455.414. You may also want to prioritize high-risk providers who have not been screened within the past 12 months for near-term revalidation. While revalidation can help identify providers who no longer meet applicable enrollment criteria, CMS recognizes that it is just one component of a broader program-integrity framework and that screening alone may not detect all forms of fraud, including schemes involving technically qualified individuals. Regardless of your designation of "high" risk, CMS is expecting that your plan includes how you assess provider enrollment for providers without a National Provider Identification (NPI) number.

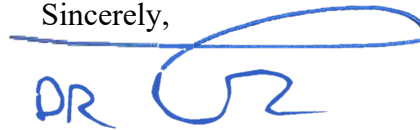
While your State should define the specific scope and priorities of your PR strategy, CMS requests submission of your current PR strategy and proposed improvements, including the below list of elements:

- Your proposed methodology and timeline for conducting off-cycle provider revalidation, with a focus on high-risk providers, including providers without an NPI.
- The metrics you will use to measure the effectiveness and progress of your PR strategy, including links to any public-facing data or reporting.
- Your approach for verifying provider information is kept accurate and up-to-date on an ongoing basis.
- How your state does or will ensure consistency and accuracy of provider data across, as applicable, fee-for-service and managed care delivery systems, including oversight of managed care plan provider directories.
- How your state Medicaid agency does or will coordinate with other relevant law enforcement partners.

CMS requests that you complete the following steps: first, notify us of your plans to undertake a swift revalidation of high-risk providers within 10 days of receipt of this letter; second, submit your comprehensive two-year PR strategy within 30 days of receipt of this letter; and third, provide your PR strategy results upon completion. Please be advised that your Governor also received a letter requesting your state to complete a swift revalidation of high-risk providers and notify us of your plans to do so within 10 days of the receipt of this letter given the heightened importance of immediate actions to stop waste, fraud, abuse, and corruption. All correspondence related to these requests should be submitted to [programintegrity@cms.hhs.gov](mailto:programintegrity@cms.hhs.gov).

Each state's plan should be submitted by the Medicaid Director, not a designee. Timely submission will allow CMS time to review your state's approach, identify opportunities to provide technical assistance, and work together to strengthen your PR strategy. Protecting the integrity of the Medicaid program is a shared federal and state responsibility, and I look forward to continuing our partnership to ensure that the Medicaid program remains strong and effective for the millions of Americans it serves.

Sincerely,



Dr. Mehmet Oz