

US to expand of Health Care Fraud Unit into Mass.

Will bring more resources to area

By **Nick Stoico**

GLOBE STAFF

The US Justice Department is expanding its Health Care Fraud Unit's New England strike force into Massachusetts, a move designed to strengthen federal enforcement efforts in a national hub for health care and life sciences.

The expansion will bring additional resources to the US attorney's office in Massachusetts, which has a long record of prosecuting health fraud cases, officials said. The strike force previously collaborated only with US attorneys' offices in Maine, New Hampshire, and Vermont, a Justice Department spokesperson said Wednesday.

In fiscal year 2025, the US attorney's Health Care Fraud and Affirmative Civil Enforcement units recovered more than \$450 million in fraudulently obtained funds, according to US Attorney Leah B. Foley's office.

"The office has cracked down on fraud committed by pharmaceutical companies and medical device manufacturers as well as unethical doctors and corporate executives who put greed ahead of patient safety and steal from government programs," Foley said in a Tuesday statement announcing the expansion. "The Strike Force model will act as a force multiplier, increasing resources and promoting even greater successes."

Federal officials said the strike force model combines specialized prosecutors with data-driven investigations and multi-

agency collaborations, which allows the Justice Department to "accelerate the detection, investigation, and prosecution of complex fraud schemes throughout" Massachusetts.

The expansion will involve coordination among federal agencies, including the FBI, the Department of Health and Human Services Office of Inspector General, the Food and Drug Administration, Homeland Security, the Department of Veterans Affairs, Office of Inspector General, and the IRS Criminal Investigation division. State agencies such as the Medicaid Fraud Control Unit of Massachusetts and the Insurance Fraud Bureau of Massachusetts will also be involved, Foley's office said.

"The expansion of the New England Strike Force to Boston will ensure that we are focused,

efficient, and coordinated in our efforts to root out both individual and corporate bad actors engaged in criminal misconduct in the health care marketplace," Acting Assistant Attorney General Matthew R. Galeotti of the Justice Department's Criminal Division said in the statement.

The announcement came after a series of enforcement actions by the Health Care Fraud Unit, which was established in 2007 and has since expanded to multiple regions across the country. The New England Strike Force launched in June 2022 and is led by Fraud Section Assistant Chief Kevin Lowell, Foley's office said.

In June, the Justice Department announced the "largest Justice Department Health Care Fraud Takedown in history," which resulted in criminal charg-

es against 324 defendants, including 96 doctors, nurse practitioners, pharmacists, and other licensed medical professionals for their alleged participation in various health care fraud schemes involving more than \$14.6 billion in intended loss.

In August, the department announced a \$40 million settlement with the Kimberly-Clark Corp., a US-based multinational consumer goods and personal care company, to resolve a criminal charge relating to the company's sale of "adulterated MicroCool" surgical gowns.

Ted E. Docks, special agent in charge of the FBI's Boston Division, said health care fraud costs taxpayers "tens of billions of dollars every year."

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Health provider: National attacks on Somalis stoked false fraud allegations

Gateway Community Services, which serves those with disabilities, disputes a former worker's claim that it falsified records. Gateway says the targeting of Somalis has amplified scrutiny of its billing practices.

By **RACHEL OHM**
Staff Writer

A Portland company that provides health care services for people with disabilities is denying a former employee's allegations of falsified records and said Friday that recent scrutiny around its billing practices

has been amplified by national attacks targeting the Somali community.

Gateway Community Services also said it is working to address recent state audit findings related to overbilling. Nothing in the audits indicated intentional wrongdoing or that the company

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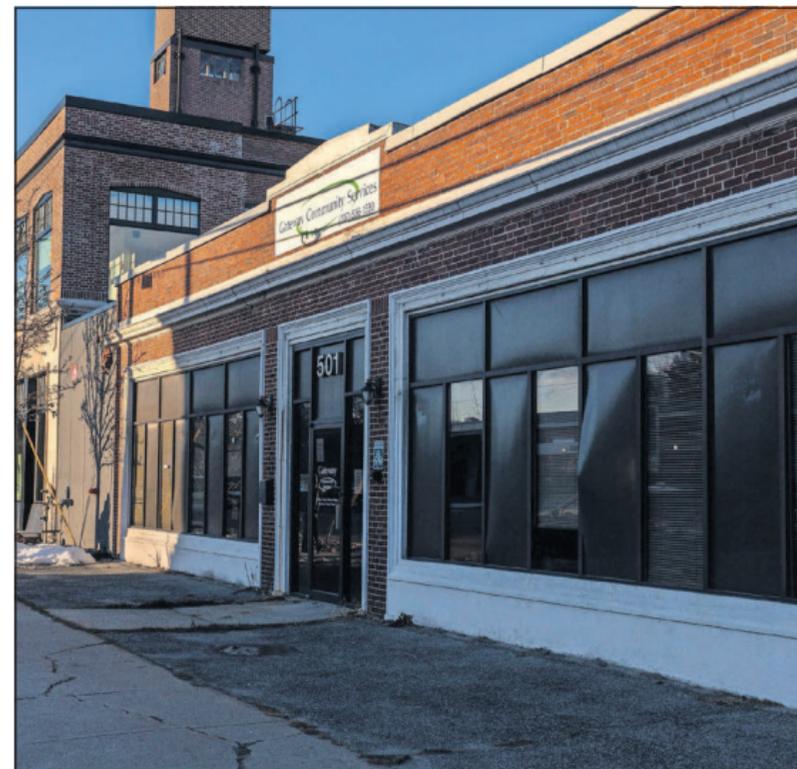
Treasury ratchets up probe targeting Minnesota's Somali community for fraud / **A3**

had billed for services it did not provide, it said.

The allegations from a former employee, Chris Ber-

nardini, were first reported by conservative media in Maine six months ago, but resurfaced this week in national news outlets, including Fox News and NewsNation, which also referenced a series of fraud schemes involving Somali immigrants

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Gateway Community Services' Portland office on Friday. Read Gateway's statement on the allegations at [pressherald.com](https://www.pressherald.com). (BRIANNA SOUKUP/STAFF PHOTOGRAPHER)

GATEWAY

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in Minnesota.

Those cases have been highlighted by President Donald Trump as part of his crackdown on immigration. Gateway also has ties to the Somali community, and was founded by Abdullahi Ali, a Somali American who last year ran for office in Jubaland, a state in his home country.

In a lengthy statement released Friday by its lawyer, Pawel Binczyk, Gateway said recent reporting on the allegations and audit findings has been misleading, has led to threats against its employees and has resulted in misinformation being spread about Gateway Community Services Maine, a sister nonprofit.

“Gateway Community Services maintains strict billing, documentation and compliance protocols, and has cooperated with state oversight agencies spanning both the (Republican Paul) LePage and (Democrat Janet) Mills administrations,” the statement said.

“These reckless narratives have real impacts on the thousands of Mainers, a majority of whom are not immigrants, that rely on Gateway for services, as well as the many employees, again many of whom are not immigrants, that work to assist those Mainers,” it continues.

FORMER EMPLOYEE ALLEGES RECORDS FALSIFICATION

Gateway Community Services is a limited liability company that provides

support and services to people with disabilities. It was founded by Ali in 2015, along with Gateway Community Services Maine, a nonprofit that provides similar services for people who are uninsured and community programs for young people. Ali told the Press Herald last year that the two agencies employ more than 250 people combined.

Ali declined a request for an interview through Binczyk this week, with his attorney saying he wanted to keep a low profile due to ongoing threats.

The Robinson Report, a Substack newsletter from the editor of the conservative online publication the Maine Wire, first reported in May on the allegations by Bernardini. The former billing and payroll specialist at Gateway said he observed falsification of records while working there from 2018 to 2025.

Bernardini said he believed the false records were designed to inflate the company’s payments from MaineCare. An anonymous former employee also made similar allegations.

Bernardini, who is reported to now live in Florida, did not respond to a Facebook message from a Press Herald reporter seeking an interview this week, and other attempts to reach him were unsuccessful.

But he reiterated his claims in interviews with national conservative news outlets this week, including NewsNation and Fox News, who drew similarities between Bernardini’s allegations and the Minnesota cases. Con-

cerns in Minnesota have largely centered around a \$250 million fraud scheme involving a federally funded child nutrition program.

Dozens of people have been convicted to date in connection with the case, ABC News reported this week.

In September, the U.S. Justice Department announced separate charges related to the defrauding of housing stabilization and autism programs also involving people with ties to the Somali community in Minnesota.

“I saw a lot of fraud on the back end with the billing claims that were just not accurate and not adding up,” Bernardini said in an interview on Fox’s Will Cain Show, calling it similar to the cases in Minnesota. He estimated the amount of fraud in Maine “could be in the millions.”

Bernardini told the Maine Wire he reported his allegations to the Maine Office of the State Auditor. Auditor Matt Dunlap told the Press Herald this week that he could not comment on whether his office had received a complaint.

A spokesperson for the Office of the Maine Attorney General also said they could not comment on whether they had been made aware of or if they were investigating any complaints.

Spokespeople for Gov. Janet Mills did not respond Friday to emails asking if the state is looking into the allegations or plans to, though at least one Republican lawmaker has called for an investigation of Gateway based on Bernardini’s claims and state audit findings.

“The Mills administration has neglected obvious and credible reports of Somali-linked systemic fraud in the MaineCare system,” Assistant Senate Minority Leader Matt Harrington, R-Sanford, said in a statement. “This is an outrageous betrayal of Maine taxpayers. I’m alarmed that Gov. Mills doesn’t seem even remotely concerned that this organization is potentially defrauding the Maine taxpayers who are struggling to get by.”

Gateway, meanwhile, is denying Bernardini’s allegations, saying in its statement Friday that he never raised concerns about billing, fraud or impropriety while working at the company for seven years. After he was laid off in April 2025, he began approaching news outlets with allegations, and he and his wife harassed employees they felt were responsible for the layoff, Gateway said.

“These allegations are an attempt at revenge by a disgruntled employee whose wife promised that ‘bad things’ would happen,” the company said in its statement.

DHHS PREVIOUSLY IDENTIFIED OVERPAYMENTS

The allegations come after the Maine Department of Health and Human Services, which oversees the MaineCare program, previously identified \$662,608 in overpayments made to Gateway between 2015 and 2018. That was discovered after the state conducted multiyear audits of the organization in 2018 and 2024, both in response to com-

plaints, DHHS spokesperson Lindsay Hammes said in an email.

The audits resulted in the department issuing formal notices of violation and “final informal review decisions” imposing sanctions. The department is still in the process of recouping the overpayments and an appeal of the 2024 findings is ongoing, Hammes said.

The department does not track the percentage of audits that result in notices of violation, though Hammes said recoupments exceeding \$100,000 from a single review “are generally considered higher than normal.”

She said the department typically reports any “issues of concern, including suspicion of fraud” to the attorney general for investigation. Hammes said the department could not confirm whether any specific matter regarding Gateway has been referred to the attorney general’s office.

Gateway said none of the audit findings have indicated it billed for services it did not provide. After presenting the department with more information in response to the findings, it said it paid less than was initially assessed — having paid \$125,058 in 2018 and \$34,095 in 2024.

Gateway said it is also working through another audit with the state currently, but could not discuss the details in depth.

“It is normal — expected, even — for (state) audits to identify issues,” the organization said. “In fact, it would be more concerning if an agency emerged with no findings at all. Nothing identified in these au-

dits indicates intentional wrongdoing by Gateway Community Services.”

GATEWAY SAYS RHETORIC HAS AMPLIFIED CLAIMS

The allegations against Gateway come as Trump has recently targeted Somali immigrants, particularly in Minnesota, with inflammatory and racist rhetoric. At a White House meeting this month, he called Somalis “garbage” that he doesn’t want in the country.

The president is also reported to have recently launched an immigration enforcement operation targeting undocumented Somali immigrants in the Minneapolis-St. Paul area.

In its statement Friday, Gateway said the national rhetoric around Somali Americans has fed into the way the company and its founder, Ali, have been portrayed.

The company said claims that Ali “was ‘running to be the Warlord of Jubaland’ and ‘bankrolled militias’ are distorted and tinged with animus against him on account of his ethnic background.”

Those claims are based on “heavily edited” clips from an interview and have not included proper context, Gateway said.

“Mr. Ali has been involved in politics in Somalia and has run for local office there, as he has remained as committed to serving the community that he came out of as he has been to serving the community here that took him in,” the company said.

State halts MaineCare payments to provider

Portland company at center of \$1M welfare fraud probe

BY SAWYER LOFTUS
BDN STAFF

The Maine Department of Health and Human Services moved on Tuesday to halt MaineCare payments to a Portland company that serves immigrants by asserting it had improperly billed for interpreting services and seeking to claw back more than \$1 million.

The company, Gateway Community Services, received a notice of violation Tuesday from the department along with a notification that it was suspending payments while investigating “credible allegations of fraud.” The department’s unit reviewed 15,000 claims made to Gateway between March 2021 and December 2022 and is seeking to recoup nearly \$1.1 million.

“The Department will continue to hold providers to the highest standards

and ensure accountability in the use of public funds,” department spokesperson Lindsay Hammes said.

This is the third notice of violation against Gateway. Previous reviews of payments to Gateway found that between 2015 to 2018 it was overpaid about \$660,000. Another review from 2024 is still pending an appeal. But Tuesday’s move marked a significant escalation.

It came a day after U.S. Rep. James Comer of Kentucky, the top Republican on the House oversight committee, sent a letter to the U.S. Treasury that flagged Gateway along with a host of current and former employees as potential targets of a broader welfare fraud investigation being conducted by the panel.

Comer’s letter directly
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tied for the first time Gateway to the committee's investigation that has largely been focused on Minnesota. Among those listed from Gateway include founder Abdullahi Ali and state Rep. Deqa Dhalac, D-South Portland, a former Gateway employee.

Gateway's lawyer, Pawel Bincyzk, confirmed earlier in the day that the company had received the notices but has little information on what the allegations are based on.

"Gateway stands by its previous statements on this

issue and will continue to cooperate with the state as it has in the past," he said.

The Maine Wire, the media arm of the conservative Maine Policy Institute, first reported on the letter. Earlier this year a former employee, Chris Bernardini, told that outlet he saw records falsified while working there from 2018 to 2025.

Bernardini's allegations against his former employer have since resurfaced in national conservative news outlets after federal prosecutors charged dozens of people in fraud schemes involving Somali immigrants in Minnesota, where individuals are accused of setting up small companies that defrauded

federal welfare programs.

Gateway denied Bernardini's allegations in a statement earlier this month saying the past reporting is misleading and that employees have received death threats.

"These reckless narratives have real impacts on the thousands of Mainers, a majority of whom are not immigrants, that rely on Gateway for services, as well as the many employees, again many of whom are not immigrants, that work to assist those Mainers," the company's statement said.

State Auditor Matt Dunlap recently told WMTW that Gateway will be a focus of the next state audit to be released in March.

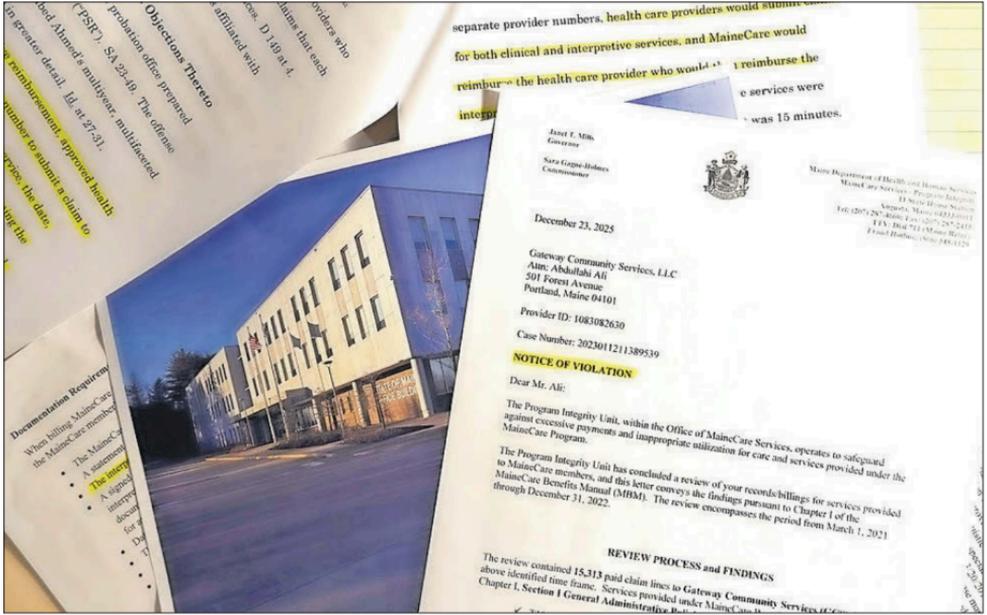
Gateway was founded in 2015 by Ali, a Somali American who gained attention in 2024 when he declared his intent to run for president of Jubaland, an autonomous region in the southern part of the country. It is an influential group in Portland and Lewiston, which have the state's largest African diaspora communities.

The company got just over \$65,000 alongside other groups that applied for grants from the Maine Community Foundation from a \$1.9 million fund intended to support victims of the 2023 Lewiston shooting. Maine Republicans including former Gov. Paul LePage, a 2nd Congressional District can-

didate, have recently criticized that award.

Assistant Maine Senate Minority Leader Matt Harrington, R-Sanford, has raised concerns since May about Gateway and more broadly about the state's spending on interpreting services. He praised the congressional committee's moves and criticized Democratic Gov. Janet Mills' administration despite calling the notice of violation a positive step.

"This is taxpayer money, and we should be looking into this, and I'm relieved that the federal government is finally stepping in, I think, largely due to the inaction of the leaders in Maine," Harrington said.



BDN PHOTO ILLUSTRATION

A federal investigator warned Maine officials about possible interpreter fraud schemes in a 2020 report that has not been disclosed until now. The findings come on the heels of fraud allegations against a major health care provider serving immigrants.

A Maine cop warned of interpreter fraud 5 years ago. The state is just catching up.

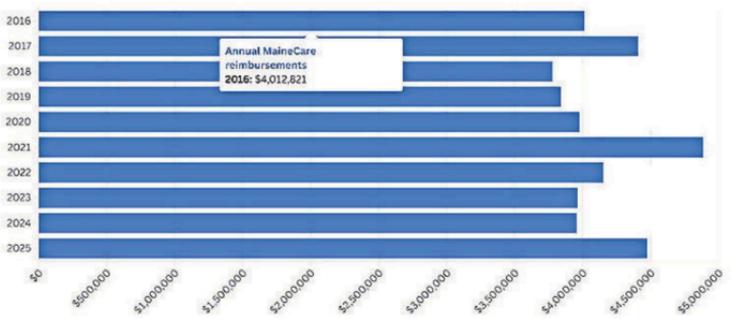
Suspicious billing trends discovered in MaineCare

BY SAWYER LOFTUS
BDN STAFF

In late 2020, a federal investigator identified a concerning pattern within MaineCare, the state's Medicaid program: Providers were billing for suspiciously high levels of interpreter services in what appeared to be a pattern of waste, abuse or fraud.

Interpreter claims surged by 283% between 2011 and 2017, with costs rising from roughly \$800,000 to over \$4.1 million annually. The increase occurred even as the number of refugees and immigrants arriving in Maine declined. The investigator wrote a report for fellow police, taking a closer look at bill-

MaineCare reimbursements for interpreter services, 2016-2025



ing trends following the high-profile prosecution of two interpreters, two social workers and a counselor in 2019.

In the years since the report was written, prosecutors have not brought any additional criminal cases. Under state law, interpreters are not required to have licenses. Providers have also continued to bill MaineCare at similar annual amounts to those that

raised the investigator's suspicion.

The report, which was obtained by the Bangor Daily News along with a partial copy of a second memo from 2021 that validated the findings through an additional analysis, has never been disclosed before. The findings are coming to light in the wake of a federal inquiry by a Republican-led congressional committee into welfare fraud.

That probe began after Minnesota federal prosecutors in November charged dozens of people, largely from that state's Somali population, with stealing hundreds of millions of dollars from social programs. The House panel's inquiry recently expanded to include a Maine behavioral provider that serves immigrants and refugees, Gateway Community Services.

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On Tuesday, the Maine Department of Health and Human Services halted MaineCare payments to Gateway, alleging the company overbilled for interpreter services by more than \$1 million. Gateway denies the state's claim. Since May, the organization has faced allegations of overbilling from a former employee, first published by The Maine Wire, the media arm of the conservative Maine Policy Institute.

The 2020 report shows that concerns of systemic fraud in the MaineCare system among providers who serve the state's immigrant population were raised years ago. It is unclear how state officials responded to it. Gateway was the second-highest biller for interpreter services in the past 10 years, state data show.

A spokesperson for Attorney General Aaron Frey said the office was aware of Pellerin's memo and referred the BDN to a 2019 case as its most recent example of prosecuting MaineCare fraud. The U.S. attorney's office has not prosecuted any health care fraud cases pertaining to interpreters in Maine since 2019.

The author of the report, Brian Pellerin, who wrote it while serving as an agent focused on Maine with the inspector general's office of the U.S. Department of Health and Human Services, declined an interview. He is now the No. 2 to Cumberland County Sheriff Kevin Joyce.

His report followed Maine's last round of prosecutions around MaineCare fraud centered on the state's Somali community. Federal prosecutors found that two interpreters had targeted newly arrived refugees — largely from Somalia — and brought them to specific providers for care. Those providers then charged MaineCare for interpreter services that were either overinflated or never happened, then gave the interpreters a cut of the money.

One of the interpreters, Abdirashid Ahmed, was estimated to have made off with at least \$1.8 million, prosecutors said. He pleaded guilty in 2019. Nancy Ludwig, Heather Borst, and Danielle Defosse-Strout, all of whom worked

for Lewiston-based Facing Change, were the providers also convicted in the scam.

Pellerin suspected that the same scheme might explain the high billing levels for interpreter services he discovered across the system. His investigation looked at the number of claims filed, patients served, and the total amount of MaineCare dollars distributed by MaineCare for interpreter services each year between 2011 and 2019.

Over those years, the number of claims filed steadily rose, from 16,300 in 2011 to 43,806 in 2019, according to Pellerin's report. At the same time, the total number of patients ebbed and flowed with a low of 2,856 in 2011 to a peak of 4,559 in 2016. Meanwhile, the number of newly arrived refugees stayed flat, then declined — a notable fact given that the scheme Pellerin suspected depended on recruiting new arrivals, according to the report.

When certain MaineCare providers became reliant on immigrants, the interpreters started making demands, Pellerin found. They would ask providers to bill MaineCare for more units of interpreting services than they actually did and negotiate illegal kickbacks outside the MaineCare fee structure. If providers wanted to continue making money, they would have to listen to the interpreters or else they would lose their patients, the report found.

Pellerin's report did not mention the names of the specific providers whose billing levels indicated potential fraud, waste or abuse. He noted that the scams not only defrauded Maine's taxpayer-funded health system but also hurt vulnerable refugees, saying bad actors were taking advantage of fellow members of the state's Somali community by treating them as a "harvested commodity" with little regard for their actual health needs.

"These MaineCare beneficiaries are often newly arriving immigrants who are potentially receiving life-saving or life-altering medical treatment," the report said.

Instead, they were potentially receiving poor quality services, or none at all, he concluded. Ludwig's trial presented examples of that potential harm. A Somali refugee testified that



ARI SNIDER | MAINE PUBLIC FILE

The front door to Gateway Community Services' Portland office.

Ahmed had brought him to see Ludwig, a social worker, to treat a toothache and asthma, according to federal court documents. Another testified he didn't know why he was brought to Ludwig.

It is not clear what happened after Pellerin completed his report. But the spending trends observed in Pellerin's report remain true, according to a BDN analysis of MaineCare data obtained in a public records request.

In the last 10 years, providers filed more than 45,000 interpreter claims, totaling more than \$41.4 million. Half of that money went to only a few providers. The BDN contacted the top 10 providers and asked if they had ever been contacted by federal law enforcement. Only two responded, with one of them saying they had not. (The BDN is not naming that provider because it has not been charged with a crime.)

The other, Gateway, said through a lawyer that it also had not been contacted in the last 10 years by federal law enforcement. The audit that prompted state officials to pause MaineCare payments to the company on Tuesday began in early 2023 and looked at claims submitted between 2021 and 2022, according to a notice of violation.

Prior to the announcement that the organization's MaineCare payments had been suspended, the provider's lawyer, Pawel Binczyk, denied allegations of fraud or being aware of Pellerin's report.

"Gateway stands by its previous statements on this issue and will continue to cooperate with the state as it has in the past," Binczyk said.

Maine is one of 18 states in the country that provides direct reimbursement for language interpreters under Medicaid. The state pays \$20 per 15

minutes for interpreting, according to the MaineCare manual. Interpreters don't bill the state directly. Instead, a provider such as a doctor or mental health counselor bills MaineCare for services rendered, as well as interpreting. The provider then pays the interpreter, according to state regulations.

When Pellerin's report was written and still today, MaineCare's manual says interpreters must hold a state license. DHHS reminded providers in 2021 that they were supposed to provide the interpreter's appropriate certification and licensure, along with other documentation to prove their qualifications.

However, the state's licensing office doesn't oversee interpreters except for those focused on American Sign Language. In 2019, the Maine Legislature approved a measure that eliminated the licenses that governed other interpreters, getting rid of the mechanism to license foreign language interpreters despite the requirement in state regulations.

Maine DHHS follows the procedures outlined in the MaineCare manual and can do reviews after a payment is made, department spokesperson Lindsay Hammes said. That review typically includes documentation related to qualifications, date, time, and duration of service, language used and costs.

But the agency did not specifically answer questions about how many times its internal auditing unit has found billing violations for interpreter services. It also did not clarify how interpreters are supposed to be licensed as required by MaineCare when no specific foreign language licensure exists in Maine, other than saying it was under the purview of the budget department.

To address the issues,

Pellerin's report included several things the state could take to correct the programmatic weaknesses identified. Those included incorporating similar requirements and qualifications used by courts for interpreters and requiring interpreters to become MaineCare providers so they could bill directly. At a minimum, it could enforce the regulations in the benefits manual, the report said.

Even among the 18 states that directly reimburse interpreters, every state has slightly different regulations around qualifications, said Mara Youdelman, the managing director of federal advocacy for the National Health Law Program. After spending nearly two decades studying the issue, she helped create the only group in the country that can certify foreign language interpreters for work in health care. The certification has been available since 2009.

Youdelman helps track how the 18 states across the country utilize interpreters and the regulatory framework those states use. While the state of Maine is spending millions of dollars each year on interpreting, she cautioned that it can be hard to tell if something nefarious is going on. In fact, Maine's model of having providers bill MaineCare for interpreting is common among the 18 states, she said.

While she's looked at interpreting services for many years, Youdelman said she's never heard of interpreters defrauding the system. She worries that some will use instances of fraud as an excuse to cut language services.

"The competency of interpreters is critical," she said. "We really do need to make sure that interpreters are actually qualified to do the job, because if not, and we have ineffective communication, then medical errors occur, negligence occurs, malpractice occurs, and people literally die."

The Bangor Daily News was the first to report this story. What you're reading here would likely not be made public without the efforts of professional journalists asking questions, interviewing sources and obtaining documents.

Bangor Daily News investigative reporter Sawyer Loftus may be reached at sloftus@bangordailynews.com.

GOP lawmakers call for accountability after fraud accusation against MaineCare provider

By RACHEL OHM
Staff Writer

AUGUSTA — Maine Republicans called for accountability Tuesday in the case of Gateway Community Services, a Portland health care provider that had its state MaineCare payments suspended last week on suspicion of fraud after it was accused of falsifying billing records.

“We want answers, and as we’re going into another supplemental budget, we want this fraud addressed and we want some fiscal responsibility,” House Minority Leader Rep. Billy Bob Faulkingham, R-Winter Harbor, said during a State House news conference.

Republican leaders called for state officials to investigate the allegations against Gateway, which provides services for people with disabilities, and ensure that taxpayer funds are spent appropriately.

The Maine Department of Health and Human Services said last week that it referred the case to the Office of the Maine Attorney General for investigation after it identified a “credible allegation of fraud” related to billing for services that were either not rendered or not eligible for

coverage.

The suspension of payments and referral came after a former employee accused Gateway of falsifying billing records in order to boost MaineCare payments and as DHHS said it found more than \$1.6 million in MaineCare overpayments to Gateway via state audits dating to 2015.

A spokesperson for the attorney general’s office said Tuesday that she could not comment on whether an investigation on the fraud allegation is underway, and if so what the timeline is.

The Gateway case comes amid similar allegations of social services fraud involving people with ties to the Somali American community in Minnesota. Dozens of people were convicted recently in a \$250 million fraud scheme involving a child nutrition program.

Federal officials said this week they are also looking into allegations focused on child care centers in Minnesota after a YouTube content creator claimed in a viral video that he had found widespread fraud at Somali-run child care centers.

GOP

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Abdullahi Ali, one of the founders and the CEO of Gateway Community Services, is a Somali American who ran for office in Jubaland, a state in his home country, last year. The organization employs and serves immigrants as well as non-immigrants.

Republican leaders in Maine on Tuesday drew parallels with the cases in Minnesota. Asked by a reporter whether the Gateway case is an example of “one or two bad actors” or if it is more broadly indicative of actions by Somali Americans in the United States, Senate Minority Leader Trey Stewart, R-Prerisque Isle, said he believes “more and more systemic fraud” is likely to come to light.

“It has nothing to do with certain populations, unless and until it does,” Stewart said. “I think that’s what we’re seeing play out in

Minnesota, is that there’s a strong (correlation) there. We should be looking to see if there’s a strong correlation here in Maine as well.”

Gateway has previously denied the allegations that it falsified billing records and has said it is seeking more information from the state on its fraud claim. In a statement Tuesday, the agency accused Republicans of weaponizing the allegations for political gain.

“Today’s press conference provides vivid proof that the conclusory allegations referenced against Gateway are being used as a wedge issue in a high-stakes election year,” the provider said. “Gateway stands by its responses to these allegations and will continue to cooperate with oversight agencies, as it has done.”

Republicans on Tuesday also said they will ask House Speaker Ryan Fecteau, D-Biddeford, to remove Dhalac from the Legislature’s budget committee after Dhalac was

named in a letter from a top Republican in the U.S. House seeking information pertinent to an investigation of fraud in Minnesota.

Dhalac, who is originally from Somalia, previously worked as assistant executive director at Gateway Community Services Maine, a nonprofit that is a sister organization to Gateway Community Services, the limited liability company that is the target of the fraud allegations.

A spokesperson for the LLC said on Tuesday that the nonprofit is not involved in the LLC’s MaineCare billing and that he could think of “no reason” why the nonprofit would be investigated.

In a statement Tuesday, Dhalac said she worked for the nonprofit for less than one year and was not involved in Gateway billing practices.

“Any accusations that I participated in illegal activities aren’t just unequivocally false — they are also reckless and harmful,” Dhalac said. “I take serious-

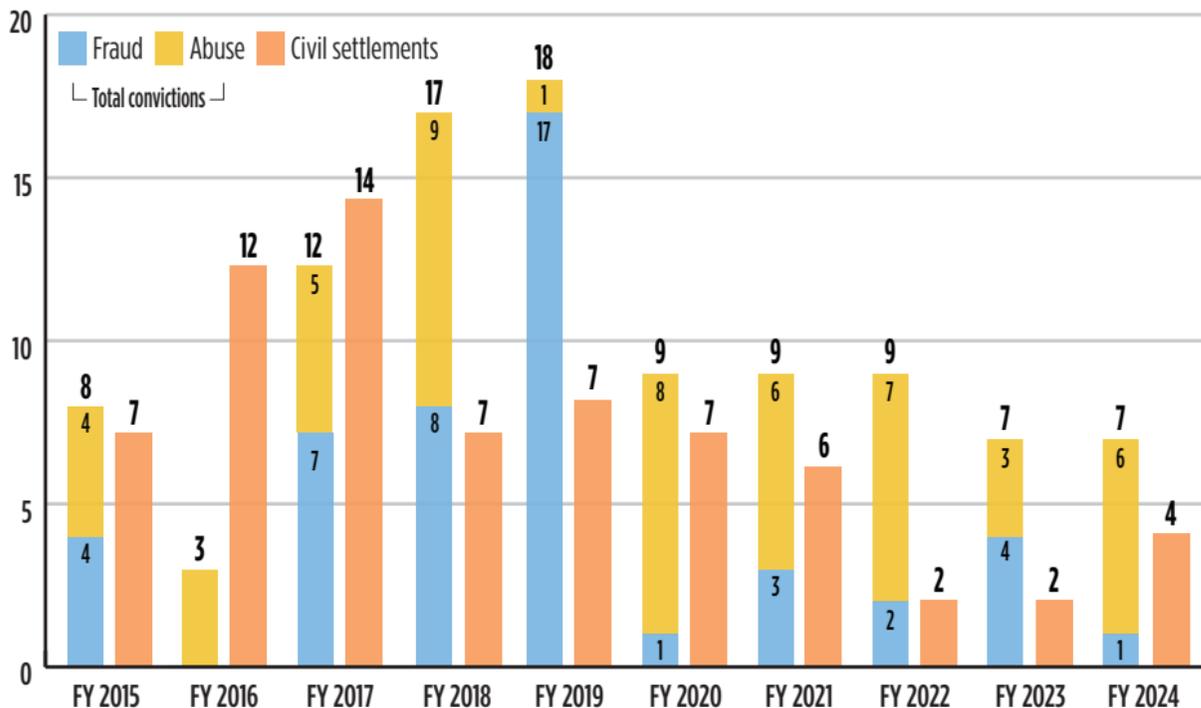
ly the state’s responsibility to serve as a good steward of taxpayer dollars, and I support the investigation to hold accountable any individuals who misuse public funds.”

In a joint statement, Fecteau and Senate President Mattie Daughtry, D-Brunswick, said any allegations of abuse of public funds should be taken seriously and monitored by the Legislature.

“At the same time, we are mindful of the broader national climate and the impact of dangerous rhetoric about immigrant and Muslim communities — including Somali Americans,” the Democratic leaders said. “That context underscores why investigations must be grounded in evidence, clear standards, and due process, not politics or assumptions. The Legislature will take any findings seriously and consider what steps may be needed to strengthen accountability.”

MaineCare fraud investigations resulting in convictions or settlements

Maine's Medicaid Fraud Control Unit investigates and prosecutes MaineCare provider fraud as well as abuse or neglect of residents in healthcare facilities.



SOURCE: U.S. DHHS Office of Inspector General • STAFF GRAPHIC | JAKE LAWS

HOW PREVALENT IS MAINECARE FRAUD?

The Portland Press Herald/Maine Sunday Telegram reviewed data on the state's fraud investigations from the past 10 years. Here's what we learned.

By **RACHEL OHM**
Staff Writer

Maine Republican lawmakers began the 2026 legislative session with a signature issue in mind: Cracking down on Medicaid fraud.

Earlier this month, conservative members from a key legislative committee asked the state's government watchdog to investigate fraud by Maine vendors. Official audits of MaineCare, the state's Medicaid program, may not be catching enough wrongdoing, the lawmakers contended.

The call came weeks after state officials

halted payments to Gateway Community Services, a Portland-based health care provider led by a Somali American. The state's health agency referred the matter to the attorney general for alleged fraud. Company officials have denied wrongdoing.

The Gateway controversy comes amid a series of fraud investigations involving Somali immigrants in Minnesota that have been highlighted by President Donald Trump. The national narrative about immigrant crime, pervasive in conservative media, has Republicans asking

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They'll either find something or find nothing, but if you don't ask, you don't know. ... It's important to ask, in my opinion.



SEN. JEFF TIMBERLAKE, R-Turner

FRAUD

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questions about one of the state's largest social services programs.

"I believe what we've uncovered is only scratching the surface of fraud here in Maine," Assistant Senate Minority Leader Matt Harrington, R-Sanford, said at a news conference last month.

In order to better understand how prevalent Medicaid fraud in Maine is, the Portland Press Herald/Maine Sunday Telegram reviewed data on the state's fraud investigations from the past 10 years. We asked top officials about the process the state uses to build these cases, and whether they believe criminal activity is going undetected.

Neither the Maine Office of the Attorney General nor the Department of Health and Human Services agreed to make staff available for interviews. A spokesperson for DHHS did not answer questions this week about how much MaineCare fraud is typically found across the department — or about what the state might be missing.

Our review found that state officials typically look into dozens of complaints similar to those surrounding Gateway each year. Prosecutors, alongside federal authorities, recover millions of dollars annually through criminal convictions or civil settlements.

In the last 10 years, the state's Medicaid Fraud Control Unit has investigated an average of 76 cases per year and recovered about \$5.2 million annually, according to the most recent federal data.

MaineCare currently has a budget of \$5.4 billion, of which \$1.5 billion comes from state general funds.

The state's investigations cover numerous types of fraud, including overbilling — as is alleged in the Gateway case — and allegations of abuse and neglect in health care facilities. The largest financial recoveries in recent years have come from civil cases related to pharmaceutical companies.

Republicans say there's more to find. They have highlighted an ongoing tax fraud case in which two people are facing charges of filing false claims for counseling and interpreter services in connection with a Lewiston-based behavioral health agency.

Democrats, who have the majority in both the state House and Senate, have said they support investigating the Gateway case and allegations of fraud generally. But Republicans have made fraud their top concern.

"They'll either find something or find nothing, but if you don't ask, you don't know," said Sen. Jeff Timberlake, R-Turner, a member of the committee calling for the state to do more. "It's important to ask, in my opinion."

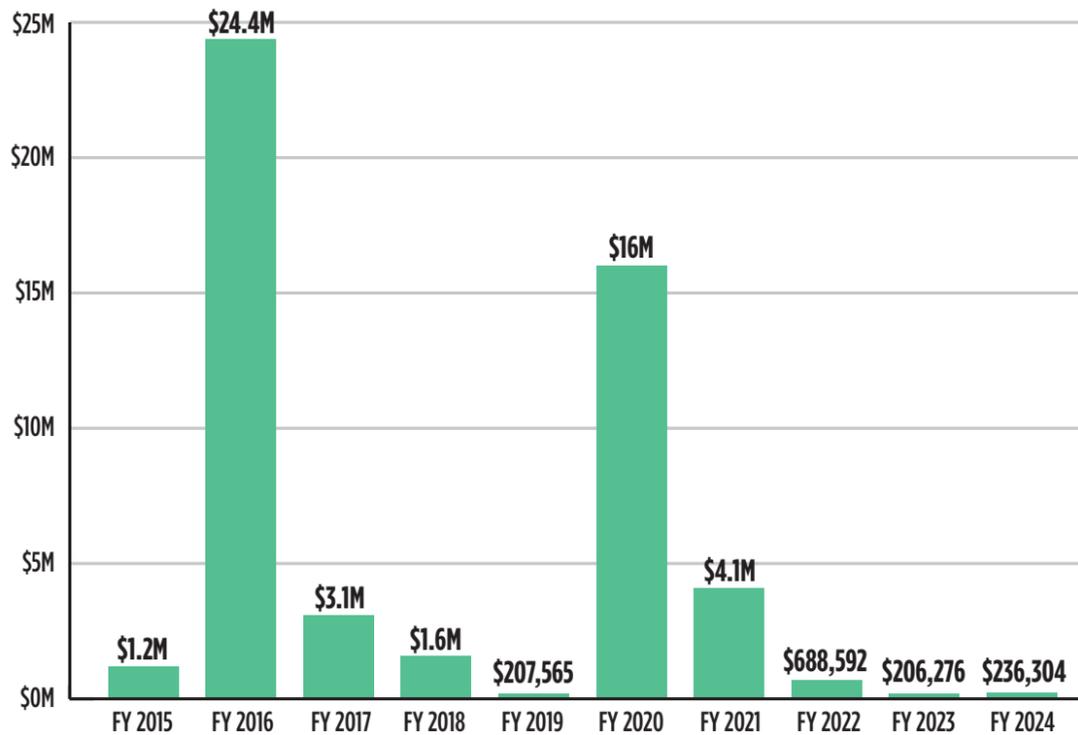
DHHS PROCESSES IN PLACE

Investigators with the MaineCare Program Integrity Unit in DHHS are among the state's first line of defense against fraud.

Bill Logan, who oversees the unit — the same one that recently audited Gateway and found evidence of overpayments — said overbilling is a common type of fraud. DHHS has said it has found \$1.7 million in over-

Medicaid Fraud Control Unit financial recoveries

Here's how much money is recovered each year as the result of investigations by Maine's Medicaid Fraud Control Unit.



SOURCE: U.S. DHHS Office of Inspector General • STAFF GRAPHIC | JAKE LAWS

*Recoveries reflect the amount of money defendants are required to pay as the result of a settlement or judgement, but may not reflect actual collections.



Senate Minority Leader Sen. Harold "Trey" Stewart, R-Presque Isle, center, speaks during a news conference late last month at the State House Welcome Center in Augusta. Stewart is flanked by House Minority Leader Rep. Billy Bob Faulkingham, R-Winter Harbor, left, and House Assistant Minority Leader Rep. Katrina J. Smith, R-Palermo. Republican legislative leaders spoke about alleged MaineCare fraud at Gateway Community Services. (JOE PHELAN/STAFF PHOTOGRAPHER)

payments to Gateway as the result of three different audits.

"A vast majority of our recoupments are related to what we would call overpayments," Logan said during a briefing before lawmakers Thursday.

The Program Integrity Unit refers cases to the attorney general's office if it suspects fraud or other criminal activity. Logan said they typically make three to five such referrals per year.

DHHS' Division of Audit also reviews programs that receive MaineCare funding, and can make referrals to the AG's office or other authorities if fraud is suspected.

Asked if his unit has seen an increase or decrease in fraud recently, Logan said Thursday that referrals have been constant.

"Overpayment amounts, both collected and identified, can vary," he told lawmakers. "It really depends."

Also present at Thursday's hearing was DHHS Commis-

sioner Sara Gagné-Holmes. She declined a request for an interview as she was leaving the meeting, saying she was late for another engagement.

In a statement later that day, a spokesperson said the department takes all allegations of fraud seriously.

"The Department's work is governed by a clear legal framework of audit, review, and compliance monitoring," the statement said.

MAINECARE FRAUD UNIT

The AG's Medicaid Fraud Control Unit investigates and prosecutes fraud by Medicaid providers, as well as abuse or neglect of residents in health care facilities. Similar units are also in place in other states.

The Maine unit employed 10 people as of 2024, according to the most recent federal data. It investigated 58 cases that fiscal year, most of which were fraud-related. Those investiga-

tions resulted in eight indictments and seven convictions, including one fraud conviction and six abuse and neglect convictions. There were also four civil settlements.

Authorities recovered just over \$236,000 that year, a drop in the bucket of Maine's multi-billion dollar Medicaid program. Nationally, Medicaid fraud control units investigated more than 16,600 total cases in fiscal 2024, resulting in \$1.4 billion in recovered funds. There were 817 fraud convictions.

In the last 10 years, cases in Maine have been brought against both individuals and companies, with the most money being recovered in civil cases centered on pharmaceutical companies and laboratory or medical equipment, data from the attorney general's office shows.

In 2016, the state recovered \$7.7 million in a national settlement with the drugmaker

Wyeth and its parent company, Pfizer, over allegations that the company overcharged Maine and other states for drugs used to treat gastric acid.

And in 2020, Maine clawed back \$5 million as part of a settlement with the pharmaceutical distributor Reckitt Benckiser Group after the company allegedly improperly marketed and promoted the drug Suboxone, costing the state Medicaid dollars.

LEWISTON INTERPRETER SCHEME

The fate of the Gateway case may rest with the attorney general's office. DHHS said in December that it had referred the case there. However, the AG's office has not confirmed whether it is looking into it. The office does not typically comment on active complaints.

The recent separate case involving the alleged false claims for counseling and interpreter services in Lewiston is being prosecuted as a tax fraud matter. The AG's office declined to say if it is also looking into that case as a health care crime.

The provider at the center of that case, Bright Future Healthier You, was the state's largest biller of MaineCare for interpreting services in the last 10 years, the Bangor Daily News reported earlier this month.

An attorney for Bright Future Healthier You did not respond to a phone message seeking an interview this week. An attorney for one of the defendants, Rakiya Mohamed, declined to speak about the case while an attorney for another, Abdifitah Abdi, did not respond to a phone message or email.

A similar case unfolded in Maine in 2018, when two Lewiston men who came to the city as Somali refugees were indicted in federal court for their roles as interpreters in a health care fraud scheme that bilked MaineCare out of more than \$1.8 million. The interpreters claimed to serve agencies that offered mental health and substance abuse counseling.

Abdirashid Ahmed and Garat Osman pleaded guilty to charges against them in 2019. In 2021, they were ordered to pay a collective \$2.5 million in restitution. The cases are the most recent convictions for MaineCare fraud involving interpreter services, according to the AG's office.

During their sentencing, a judge considered the fact that both men were born in Somalia and suffered severe trauma before coming to the U.S., according to a Lewiston Sun Journal article.

But the judge also told the men they performed a disservice to members of the Somali community with their actions. He said many Somali people here suffered similar trauma, but failed to get the treatments they needed because of the fraud scheme.

"Health care fraud depletes funds intended to provide care for our most vulnerable citizens," said Phillip Coyne, a special agent in charge at the U.S. HHS' Office of the Inspector General, at the time. "Today's sentencing is a strong reminder that we will spare no resources to bring to justice those that undermine the integrity of our federal health care system."

Federal audit finds Maine made \$45.6M in improper payments for autism services

A state official said Friday that the audit should not be interpreted as evidence of fraud.

By **RACHEL OHM**
Staff Writer

A federal audit has found that Maine made at least \$45.6 million in improper Medicaid payments for support services provided to children with autism in 2023.

The U.S. Department of Health and Human Services Office of Inspector General, which conducted the audit, said the state didn't properly document the services, and failed to conduct "post-payment reviews" that could have caught issues.

"The integrity of Medicaid programs is non-negotiable," the inspector general, T. March Bell, said in a written statement. "Improper payments undermine public trust and divert resources from those

The audit found that services were provided to children who either did not receive required comprehensive assessments, or whose assessments did not include the requisite signatures from parents or staff.

who need them most."

The audit findings come amid scrutiny of social services programs in Maine — particularly those associated with immigrant communities. The Trump administration has used claims of Medicaid fraud as a pretext for sweeping immigration enforcement missions

in Maine and Minnesota in recent weeks.

A state official, meanwhile, downplayed the new report on Friday as part of a routine exercise the federal government is conducting in multiple states.

"The report does not include findings or allegations of fraud; the audit identified potential documentation and compliance issues, which the state is now reviewing," Lindsay Hammes, a spokesperson for the Maine Department of Health and Human Services, said in an email. "The report does not question the appropriateness or necessity of services, nor does it allege intentional wrongdoing by providers or the state."

The inspector general's office also noted on Friday that the Maine audit is part of an ongoing series of reviews across states to look

AUDIT

Continued from **Page A1**

into “unallowable services and questionable billing patterns” in autism care. Similar analyses have already been conducted in Indiana and Wisconsin, resulting in federal authorities finding at least \$56 million in improper payments in Indiana, and at least \$18.5 million in Wisconsin.

In Augusta on Friday, Maine Republicans highlighted the findings as evidence that fraud, waste and abuse are widespread in the MaineCare program, the state’s version of Medicaid. The findings further support the need for a state watchdog agency to investigate MaineCare, they said.

“We’re getting new information out everyday,” Sen. Jeff Timberlake, R-Turner, said during a meeting of the Government Oversight Committee. “We got new information today about another \$46 million. ... I think it’s very important for us to find out (what) is happening.”

AUDIT REVIEWED AUTISM SERVICES

The audit looked specifically at MaineCare spending on rehabilitative and community support services provided to children diagnosed with autism during the 2023 calendar year.

It reviewed a random sampling of records for individual MaineCare enrollees that comprised 100 months of care, finding that dozens of those samples did not comply with state and federal requirements.

The audit found that services were provided to children who either did not receive required comprehensive assessments, or whose assessments did not include the requisite signatures from parents or staff. It also identified issues with supporting documents, including session notes that did not contain a full description of the care provided.

The audit does not mention fraud as a reason for the overpayments. But it said Maine did not sufficiently ensure that providers were documenting services. It also states that

Maine has not done regular “post-payment reviews” that could have caught the issues sooner.

As a result of its findings, the office estimated that Maine paid at least \$45.6 million for services that did not meet requirements, and identified another \$22.4 million in “potentially improper” payments.

The state had a total MaineCare budget of around \$4.3 billion in fiscal year 2023, according to federal data, meaning the improper payments account for about 1% of MaineCare spending.

Maine has agreed to reimburse the federal government nearly \$29 million in improper spending if, after conducting its own review, it is also able to identify overpayments.

Any potential credible fraud allegations will be referred to the Office of the Maine Attorney General, Hammes said.

STATE RESPONDS TO FINDINGS

The inspector general’s office noted that Maine’s spending on services for children with developmental disabilities, including autism, rose significantly from \$52.2 million in 2019

to \$80.6 million in 2023.

That could be the result of various factors, including an increase in the eligible population; state efforts to increase the availability of behavioral health services; reimbursement rate increases and increased utilization of services, the state said in a letter to the federal government.

Michelle Probert, director of the Office of MaineCare Services, who wrote the letter, blamed many of the issues in the audit on inadequate documentation from service providers.

Probert also wrote that the state is in the process of updating its rules regarding the services in question, and that it would be sending new guidance to providers. And she said the state will conduct post-payment reviews for a sampling of providers for the next few years to catch and address record-keeping issues.

The state has also taken issue with some of the federal government’s methodology, saying on Friday that their review failed to account for differences in documentation requirements for different types of services.

LAWMAKERS LOOKING AT FRAUD ISSUE

The audit released by the federal government this week comes as Republican lawmakers on the Legislature’s Government Oversight Committee have asked a state watchdog agency to review Maine DHHS’ MaineCare spending. That request was made following allegations of fraud by Gateway Community Services, a Portland-based provider for people with disabilities.

A former employee has publicly accused Gateway of overbilling MaineCare, and the Maine DHHS said last month that it forwarded a “credible allegation of fraud” to the attorney general’s office for investigation. DHHS has also suspended MaineCare payments to Gateway, a step it takes when fraud is suspected.

Gateway has denied allegations of wrongdoing and said it is working with the state to address overpayments found in state audits.

The lawmakers’ request for a review of MaineCare spending was taken up during Friday’s meeting,

in which some Republicans pointed to the new report.

“We have some information of additional concerns, specifically with the autism piece that dropped and \$46 million,” said Sen. Brad Farrin, R-Norridgewock. “This is an ongoing concern.”

The committee, which has the power to authorize investigations of government programs by an independent office, did not take that step Friday, but decided it will ask state officials to present to them on the issue of MaineCare fraud at an upcoming meeting.

Democrats on the committee also pointed out that the state is already taking steps in response to the Gateway allegations.

“I need to hear what is actually happening in the state right now and where they’re at,” said Rep. Anne-Marie Mastraccio, D-Sanford, co-chair of the committee. “I’m not willing to vote to start another investigation until I know exactly what we’re looking for.”