

States reject Dr. Oz's claims of Medicaid spending on undocumented immigrants

The CMS administrator posted that the agency is working to claw back the money

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Nov. 1, 2025

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WASHINGTON — Centers for Medicare and Medicaid Services Administrator Mehmet Oz said Friday that “more than \$1 billion of federal taxpayer dollars were being spent on funding Medicaid for illegal immigrants” by five states and the District of Columbia in recent months.

But several state health departments rejected the claims, with one saying administration officials had already privately acknowledged the error.

Oz posted Friday on X that after an audit, CMS found “a terrifying reality” of federal tax dollars being spent on care for undocumented immigrants.

The post included dollar amounts that each — California, Illinois, Washington, Colorado, Oregon, and the District of Columbia — allegedly spent on care for undocumented immigrants, saying “many” have begun refunding the money.

But four of those states — Colorado, Illinois, Oregon, and Washington — told STAT that the figures shared by Oz were wrong.

A spokesperson at Oregon's department of health said Oz's claim that the state illegally spent nearly \$5.5 million on undocumented care is “categorically false and mischaracterizes not just this essential part of our nation's emergency care infrastructure, but also an ongoing, routine audit process.”

“CMS has already acknowledged to Oregon that the amount in Dr. Oz's X post is incorrect, and the funds in active review are significantly less than the amount referenced,” the state's spokesperson said, adding that “a formal correction to CMS' claim is now and will still be warranted upon conclusion of this process.”

Other states offered similar assessments.

A spokesperson for Colorado's health department said Oz's claim that the state spent more than \$1.5 million illegally on undocumented care “is based on an incorrect preliminary finding, and has been refuted with supporting data by our department experts.”

And a spokesperson for Illinois' health department, which Oz accused of spending nearly \$30 million in Medicaid funding illegally, had a similar response.

“This is not a reality show and there is no conspiracy to circumvent federal law and provide ineligible individuals with Medicaid coverage,” the Illinois spokesperson wrote in a statement to STAT. “Dr. Oz should stop pushing conspiracy theories and focus on improving healthcare for the American people.”

Officials in Colorado, Oregon, and Washington said they had been in contact with CMS officials about the audit process — and some were surprised to see final numbers posted as the conversations were still “very much in the education and discussion phase.” State officials are still answering questions and discussing the intricacies of legal Medicaid reimbursement, state spokespeople said.

In an earlier statement, on Tuesday, a Colorado spokesperson said the state had not had discussions with federal officials about clawbacks.

CMS did not immediately respond to a request for comment about the states’ allegations or to questions about how the totals had been calculated, how much states had agreed to repay the government, why the initial set of states were chosen for audit, and whether measures were being put in place to stop similar spending in the future.

California, accused of illegally spending more than \$1.3 billion, and the District of Columbia, accused of illegally spending more than \$2 million, did not respond to requests for comment on CMS’ claims by the time of publication. None of the states immediately offered evidence to disprove CMS’ claims.

The dispute centers on an issue central to the Trump administration’s messaging on health care, the economy, and reasons for continuing the government shutdown. Republicans have suggested that undocumented immigrants receive substantial health funding they’re not authorized to get — and say they can’t support Democrats’ demands on a deal to reopen the government.

Democrats have disputed that characterization, and their proposals focus on expanding health funding for citizens and some immigrants who have legal authorization to live in the U.S.

Undocumented immigrants have long been ineligible for most government health programs.

But people without legal status in the U.S. are eligible for care in some cases, including some state programs that don’t use federal funds (which Oz alleged used federal funding in some instances) or emergency Medicaid spending that sometimes reimburses hospitals for care they’re required to offer all people regardless of immigration status.

And all people are entitled to emergency care under the Reagan-era Emergency Medical Treatment and Active Labor Act, though it doesn't guarantee any government funding for the care provided. Republicans have said they don't want to change that law.

The Oregon spokesperson highlighted several situations in which federal funding could be used for people who may not be qualified for full Medicaid services, including people with refugee status, lawful permanent residents who have been in the country for less than five years, those enrolled in Deferred Action for Childhood Arrivals, people with work or student visas, or those getting some kinds of emergency care, among others.

Still, the administration insists that undocumented immigrants have received Medicaid funding. The White House and HHS officials regularly post mugshots of undocumented immigrants who have been convicted of criminal offenses with dollar amounts of Medicaid services they have allegedly received.

A White House spokesperson said those lists had been created by cross-referencing CMS and Department of Homeland Security data.

Administration officials — at the White House, HHS, and CMS — have repeatedly declined requests from STAT for details around their claims or evidence to back them up.

“CMS collaborates with all states to identify and address causes of improper payments,” a CMS spokesperson wrote in a statement on Monday, responding to questions about the administration's claims. “States are accountable for implementing corrective strategies, monitoring outcomes, and ensuring compliance with federal requirements.”