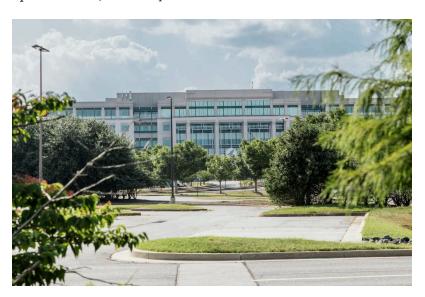
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DOGE Aides Search Medicare Agency Payment Systems for Fraud

Elon Musk's allies have been on site at Centers for Medicare and Medicaid Services offices this week

By Anna Wilde Mathews [Follow] and Liz Essley Whyte [Follow] *Updated Feb. 5, 2025 1:05 pm ET*



CMS is the center for much of the U.S.'s complex healthcare economy. PHOTO: ROSEM MORTON FOR WSJ

Representatives of Elon Musk's Department of Government Efficiency have been working at the Centers for Medicare and Medicaid Services, where they have gotten access to key payment and contracting systems, according to people familiar with the matter.

The DOGE representatives have been on site at the agency's offices this week, the people said, and they are looking at the systems' technology as well as the spending that flows through them, with a focus on pinpointing what they consider fraud or waste. DOGE representatives are also examining the agency's organizational design and how it is staffed, the people added.

White House and DOGE officials didn't comment. Musk, on his X platform, posted: "Yeah, this is where the big money fraud is happening," referring to the Medicare agency in a repost of another user who referenced the Journal's reporting.

Musk's allies have moved swiftly to exert control over vast swaths of the U.S. government, including at the Treasury Department and the U.S. Agency for International Development. They have demanded access to sensitive information at federal agencies and laid out plans to block spending they deem excessive.

A CMS official said that the agency has "two senior agency veterans who are leading the coordination with DOGE," and that CMS leaders are "taking a thoughtful approach to see where there may be opportunities for more effective and efficient spending in line with meeting the goals of President Trump."

CMS in particular is a highly politically and economically sensitive agency. It is the nerve center of much of the nation's complex healthcare economy, with outlays of about \$1.5 trillion in fiscal 2024, or about 22% of the federal total. With around 6,710 employees, it oversees Medicare, the health coverage program for older and disabled Americans and Medicaid, for

lower-income enrollees, among other areas. Many veteran CMS staffers have worked there for decades.

One of the systems accessed by the DOGE representatives is CALM, or the CMS Acquisition Lifecycle Management system, which includes information about contracts, according to people with knowledge of the matter.

One of the people familiar with DOGE's work at CMS said that, to their knowledge, Musk's allies hadn't yet been given access to databases that include identifiable personal health information of Medicare or Medicaid enrollees. DOGE also hadn't yet accessed a sensitive accounting system called HIGLAS, or the Healthcare Integrated General Ledger Accounting System, this person said.

The DOGE access is "read-only," meaning that its affiliates cannot make changes to the systems, the person added.

CMS payment structures are complicated, and they vary by program, often involving layers of contractors and other companies. Much of Medicare, for instance, now goes through private insurers, which are paid by the federal government. Medicaid is jointly overseen by federal and state officials, and federal payments typically flow to the states.

The federal government has enforcement efforts around healthcare fraud, at the Justice Department, the Department of Health and Human Services Office of Inspector General, and CMS itself.

Dr. Mehmet Oz, the high-profile physician and former television host, has been nominated to lead CMS, but hasn't yet been confirmed by the Senate. Several CMS officials who are expected to work under Oz have already taken over at the agency.

-Ken Thomas contributed to this article.

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