



Minnesota Department of Human Services
Elmer L. Andersen Building
Temporary Commissioner Shireen Gandhi
Post Office Box 64998
St. Paul, Minnesota 55164-0998

August 1, 2025

Caprice Knapp, Acting Director
Center for Medicaid and CHIP Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Ms. Knapp:

On behalf of the State of Minnesota and the Department of Human Services (DHS), I am reaching out to request assistance with terminating the state's housing stabilization benefit authorized under § 1915(i) of the Social Security Act as in effect since August 2018. This action is necessary to safeguard Medicaid enrollees and protect the fiscal integrity of Minnesota's Medicaid program.

Minnesota has experienced significant growth in the number of housing stabilization providers enrolled in Minnesota's Medicaid program and exponential growth in spending on services has caught the attention of state and federal investigators. The DHS Office of Inspector General (OIG) has suspended payment to 77 housing stabilization providers this year based on credible allegations of fraud, and the Federal Bureau of Investigation and the United States Attorney's Office have initiated criminal investigations.

We appreciate your prompt attention to this urgent matter. We are prepared to work closely and collaboratively with CMS to wind the HSS program down as swiftly as possible, including executing all necessary enrollee and provider notifications. My team is working to identify supports available to those served by this benefit and struggling with housing insecurity, and we will work diligently with our community partners to meet these critical needs. If you have further questions, please contact John Connolly, State Medicaid Director and Deputy Commissioner, Minnesota Department of Human Services at 651.431.2907.

Sincerely,

/s/ Shireen Gandhi

Shireen Gandhi
Temporary Commissioner