

DOJ Speeds Up Benefits Fraud Cases, Permitting Whistleblower-Driven Litigation After Abbreviated Investigation

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The Department of Justice's Civil Division [announced](#) it is speeding up review of whistleblower complaints under the False Claims Act, specifically for allegations related to federally funded, state-administered benefits programs (e.g., supports for housing, food, and medical care). Previously, such complaints would remain sealed during open-ended investigation, which could last years. DOJ has committed to an initial review and decision within 60–120 days in most cases, meaning more complaints will be unsealed on an expedited basis, allowing more whistleblowers to proceed with litigation and presumably leading to more settlements in the government's name. While this new procedure will permit more rapid action to address issues raised by whistleblowers, it also risks weakening the government oversight needed to weed out frivolous claims. Given that government investigations of this sort typically take far longer to develop, and especially in light of DOJ's ongoing staffing shortages, it seems likely that the 120 day cap on investigations will lead to a higher volume of litigation, perhaps involving dubious or unsupported fraud allegations, that imposes significant costs on health care and social service providers. The [memo describing the new policy](#) also calls for more targeted requests for information by investigators and strict compliance with timeframes provided by DOJ's Civil Investigative Demands (CIDs) —this update may weigh in favor of CID recipients quickly challenging overbroad and unduly burdensome demands.