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One Hundred Thirteenth Congress  
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December 23, 2013

The Honorable John Kerry  
Secretary of State  
Department of State  
2201 C Street, N.W.  
Washington, D.C. 20520

Dear Mr. Secretary:

I am deeply troubled by recent reports that dozens of Russian diplomats and their dependents apparently engaged in systematic Medicaid fraud while in the United States.<sup>1</sup> I am writing to request further information about this matter and the Administration's plans to address the law enforcement and diplomatic aspects.

According to the U.S. Attorney for the Southern District of New York, 25 current and former Russian diplomats and 24 of their spouses allegedly participated in a scheme to illegally obtain Medicaid benefits for prenatal care and related costs by underreporting their income or falsely claiming that their children were citizens of the United States.<sup>2</sup> Over the course of almost ten years, they and other co-conspirators received approximately \$1.5 million in benefits to which they were not entitled. The U.S. Attorney further alleges that this behavior was facilitated by the staff of Russian diplomatic offices in the U.S., who supplied false documentation to New York officials in support of the fraudulent Medicaid claims made by the diplomats and their spouses.<sup>3</sup>

The unsealing of the U.S. Attorney's criminal complaint raises a number of issues about the Administration's options for handling this matter and the interagency coordination during the

<sup>1</sup> Evan Perez, "Sources: Diplomatic Fraud Ring Also Spied," December 9, 2013, CNN.com, <http://security.blogs.cnn.com/2013/12/09/first-on-cnn-sources-diplomatic-fraud-ring-also-spied/>.

<sup>2</sup> Kuleshov, Mikhail *et al.*, 13 MAG 2711 Complaint, S.D.N.Y., available at <http://www.justice.gov/usao/nys/pressreleases/December13/KuleshovMikhailComplaintPR/Kuleshov,%20Mikhail%20et%20al.%20%2013%20MAG%202711%20Complaint.pdf>.

<sup>3</sup> U.S. Attorney's Office, "Manhattan U.S. Attorney And FBI Assistant Director-In-Charge Announce Health Care Fraud Charges Against Current And Former Russian Diplomats And Their Spouses," December 5, 2013, <http://www.fbi.gov/newyork/press-releases/2013/manhattan-u.s.-attorney-and-fbi-assistant-director-in-charge-announce-health-care-fraud-charges-against-current-and-former-russian-diplomats-and-their-spouses>

precursor investigation. In order to better understand this situation, I would appreciate a detailed, staff-level briefing at the earliest opportunity, as well as written answers to the following questions prior to the meeting:

1. How will the Administration treat the 11 named defendants who, according to the U.S. Attorney, remain in the United States?<sup>4</sup> Will you ask the Russian government to waive their immunity so that they can be prosecuted? If not, will the Department declare them *persona non grata*?
2. How will the Administration treat the 38 named defendants who, according to the U.S. Attorney, no longer reside in the United States?<sup>5</sup> Will you request that they be extradited to stand trial? If not, will the Department impose a U.S. visa ban on them?
3. How will the Administration treat the unindicted co-conspirators at Russian diplomatic offices in the U.S. who allegedly advised and assisted the named defendants by supplying false documentation to New York officials in support of the fraudulent Medicaid claims?
4. Will the Administration bill the Russian government for the Medicaid benefits its personnel fraudulently used? If not, how will New York State's Medicaid program be compensated for the loss?
5. On December 5, 2013, Department of State Deputy Spokeswoman Marie Harf said, "We are still...reviewing the charges that were unsealed."<sup>6</sup> How closely did the U.S. Attorney, Department of Justice, or Federal Bureau of Investigation cooperate with the Department of State during the investigation? What steps did the U.S. Attorney take to coordinate with the Department of State before filing the complaint on November 18, 2013 or unsealing it on December 5, 2013?

This situation also raises a number of important questions about government programs that provide benefits to foreign diplomats. I therefore would appreciate written answers to the following questions not later than January 13, 2014:

6. On December 6, 2013, Department of State Deputy Spokeswoman Marie Harf stated that foreign diplomats in the United States "who meet certain eligibility criteria may apply for and receive federally funded medical care."<sup>7</sup> What are the medical programs for which foreign diplomats<sup>8</sup> may be eligible? What are the eligibility criteria? Over the last 10 years, how many foreign diplomats have used these programs? What was the total cost

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<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

<sup>6</sup> Department of State, Daily Press Briefing, December 5, 2013, <http://www.state.gov/r/pa/prs/dpb/2013/12/218388.htm>.

<sup>7</sup> Department of State, Daily Press Briefing, December 6, 2013, <http://www.state.gov/r/pa/prs/dpb/2013/12/218491.htm>.

<sup>8</sup> In this and subsequent uses, "foreign diplomats" means all nonimmigrant aliens in the "A" and "G" visa classifications, including dependents and personal employees.

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of the benefits provided? Please provide these data sorted by foreign diplomatic mission or international organization.

7. Are foreign diplomats eligible for government-funded benefits other than Medicaid (*e.g.*, Temporary Assistance to Needy Families or the Supplemental Nutrition Assistance Program)? If so, which programs and what are the eligibility criteria? Over the last 10 years, how many foreign diplomats have taken advantage of these programs? What was the total cost of the benefits provided? Please provide these data sorted by foreign diplomatic mission or international organization.
8. Is the Administration aware of other cases where foreign diplomats fraudulently or inappropriately obtained Medicaid or other government-funded benefits? Please provide the details of these cases, including the cost of any benefits that were inappropriately obtained.
9. What is the Administration doing to ensure that foreign diplomats cannot inappropriately obtain government-funded benefits in the future? Has the Administration asked relevant government benefit agencies to check their rolls for the names of foreign diplomats? Does the Department regularly provide a list of foreign diplomats to relevant government benefit agencies?

Copies of this letter are being sent to the Departments of Justice and Health and Human Services. If additional information is needed, please contact Thomas Alexander, Chief Counsel for Oversight and Investigations, at (202) 225-5021. Thank you for your prompt attention to this important matter.

Sincerely,



EDWARD R. ROYCE  
Chairman

cc: The Honorable Eliot L. Engel, Ranking Member, Committee on Foreign Affairs  
The Honorable Eric Holder, Attorney General, U.S. Department of Justice  
The Honorable Kathleen Sebelius, Secretary, U.S. Department of Health and Human Services