CLIENT ALERTS & INSIGHTS

The Devil is in the Details: DOJ Provides New Insights Regarding National Fraud Enforcement Division's Priorities

APRIL 23, 2026

Authors: Marisa T. Darden, Matthew David Ridings, Kevin B. Frankel, Christopher T. Grohman, Mark J. Silberman, Zachary Cobb, Briana Cowman

Featured Practices: Litigation, White Collar, Government Investigations & Regulatory Compliance, State Attorneys General Investigations & Enforcement, Healthcare

Key Takeaways

- **DOJ has significantly centralized and expanded fraud enforcement through the National Fraud Enforcement Division**, as demonstrated by Acting Attorney General Todd Blanche's recent memorandum emphasizing new priorities regarding fraud enforcement and providing new protocols for restructuring the NFED impacting other government agencies.
- **It appears that all fraud investigations and prosecutions will be coordinated through the NFED** with DOJ's recent memorandum granting the NFED operational control over the Criminal Division's Tax Section, the Health Care Fraud Unit, and the Market, Government, and Consumer Fraud Unit. All United States Attorneys' Offices are required to designate a liaison for the new division.
- **Healthcare, Tax, and Securities Fraud enforcement will likely be major priorities for the NFED,** as these departments are slated for major restructuring. Companies should continue to maintain robust compliance programs and ensure continued awareness of ongoing developments in DOJ's approach to fraud and prevention.

Earlier this year, the White House announced the creation of the National Fraud Enforcement Division ("NFED"), a new component within the Department of Justice ("DOJ").[1] The NFED is to be led by a newly created Senate-confirmed Assistant Attorney General who would report directly to the President and Vice President.[2] Colin McDonald has since been appointed and confirmed.[3] At the time of the original announcement, details regarding the NFED were sparse.

In a memorandum dated April 7, 2026 (the "NFED Memo"), Acting Attorney General Todd Blanche officially created the NFED and announced important details about the new division.[4] The NFED Memo explained that consolidation of fraud enforcement under a single umbrella would purportedly "draw clear lines of effort between divisions [and] minimize layers of bureaucracy," and provided a timeline for staffing the NFED.[5]

Staffing Insights For the NFED

By the end of this month, "each U.S. Attorney's Office shall designate an experienced prosecutor to be detailed-in-place to the National Fraud Enforcement Division… responsible for administering the mission of the National Fraud Enforcement Division in their district."[6] This amounts to "an additional 93 prosecutors in every district across the country devoted to the mission of combatting fraud."[7] The NFED is also granted the authority to establish and/or refocus grant programs to "enable state and local prosecutors to join the mission of the National Fraud Enforcement Division as Special Attorneys or Special Assistant U.S. Attorneys," allowing for more hiring flexibility to ramp up enforcement.[8]

In addition to coordinators at the US Attorneys' Offices, certain components at Main Justice now report directly to NFED. More specifically, the Criminal Division's Tax, Health Care Fraud ("HCF Unit"), and Market, Government, and Consumer Fraud Units, will now report directly to NFED, rather than the Criminal Division. This, according to the NFED Memo, will "establish the priorities and direct the allocation of resources" for these units.[9] Furthermore, within 30 days, DOJ components, including the Criminal Division, must recommend which criminal prosecutorial resources should be redistributed to the NFED, with the ultimate transfer to be completed by August.[10] This reorganization represents a significant shift; earlier this year, then-Assistant Attorney General for the Criminal Division, Tysen Duva, stated that "the Fraud Section will remain entirely intact under the current Criminal Division structure."[11]

In addition to the significant changes within the Criminal Division, the Civil Division is required to designate a liaison to the NFED to "ensure the [NFED] leverages the full range of enforcement tools-civil and criminal-to combat fraud against taxpayer dollars."[12] While the NFED Memo does not directly contemplate the movement of personnel from the Civil Division under the auspices of the NFED, it does direct that "the Office of Legal Policy shall provide a recommendation to the Deputy Attorney General on whether non-criminal elements of the Civil Department should be brought within the National Fraud Enforcement Division."[13]

What This Means Moving Forward

While the final structure of the NFED is likely to shift, the NFED Memo mandates a significant allocation of resources from more traditional DOJ components to this newly formed division. This brings all fraud enforcement under the auspices of a White House-aligned division and away from the more traditional DOJ structures. It remains unclear what level of granular direction will be provided to the prosecutorial units by the White House versus more traditional career Criminal Division leadership, but this signals that fraud enforcement will likely align closely with White House priorities. Importantly, it appears that fraud investigations and prosecutions will continue to be handled by existing and experienced DOJ personnel, rather than entirely by new hires.

Within the healthcare industry, the NFED's assumption of control over the HCF Unit brings Medicare-related criminal enforcement under centralized leadership.[14] Indeed, the relocation of the HCF Unit aligns with the administration's creation of the DOJ-HHS False Claims Act Working Group in July 2025.[15] Particularly regarding the False Claims Act, the NFED's enhanced, coordinated infrastructure may accelerate the government's response to whistleblower referrals, which may result in a larger number of government-initiated investigations regarding the False Claims Act should the civil division overlap with the NFED's criminal enforcement priorities in the future.[16]

Given this administration's particular focus on healthcare fraud, healthcare providers should pay particular attention to federal funding, grants, billing codes and practices, and data and documentation as regulations surrounding these areas may shift with fraud enforcement coordinated and combined by multiple agencies.

The movement of the Tax and Major Frauds Units to the NFED indicates that the administration likewise views these as priority areas for its fraud enforcement plans. This additional clarity should put individuals and companies on high alert to monitor compliance in these areas.

As the landscape around fraud enforcement shifts in the coming months, one thing is for certain: the NFED is here to stay.

Amid shifting department roles and priorities, early identification, focused remedial action, and well-documented compliance decision-making and policies remain critical tools for mitigating exposure in a heightened and more coordinated enforcement and regulatory environment.

Benesch's White Collar, State Attorney General, and Healthcare groups continue to monitor these developments and advise clients on proactive compliance reviews, risk assessments, audit response strategies, and enforcement preparedness. They also provide quick and cogent advice in the face of a DOJ subpoena or investigation. If you have questions regarding how the new NFED protocol may affect your organization, or would like assistance in assessing specific risk areas, Benesch is here to help.

---

[1] Christopher T. Grohman, *White House Announces Creation of New National Fraud Enforcement Division* (Jan. 27, 2026), https://www.beneschlaw.com/insight/white-house-announces-creation-of-new-national-fraud-enforcement-

[2] *Id.*

[3] Robert Kolansky & Briana Cowman, *From New Division to New Leadership: White House Appoints National "Fraud Czar,"* Benesch (Jan. 30, 2026), https://www.beneschlaw.com/insight/from-new-division-to-new-leadership-white-house-appoints-national-

[4] Memorandum from the Office of the Attorney General on Creation of the National Fraud Enforcement Division to the Department of Justice (Apr. 7, 2026), https://aboutblaw.com/bloe.

[5] *Id.*

[6] Memorandum, *supra* note 4.

[7] *Id.*; Erica Sibley Bahnsen, et al., *DOJ Creates National Fraud Enforcement Division: What It Means for Fraud Enforcement in America*, Epstein Becker Green (Apr. 9, 2026), https://www.commerciallitigationupdate.com/doj-creates-national-fraud-enforcement-division-what-it-mean

[8] Memorandum, *supra* note 4; Bahnsen *supra* note7.

[9] Memorandum, *supra* note 4.

[10] *Id.*

[11] Ben Penn, *DOJ Moves Fraud Attorneys to New Division, Reversing Plans (1)*, Bloomberg Law (Apr. 7, 2026), https://news.bloomberglaw.com/us-law-week/doj-poaches-fraud-attorneys-for-new-division-in-reversal-of- Ben Penn, *DOJ Fraud Staffers to Be Protected From New White House-Led Unit*, Bloomberg Law (Jan. 12, 2026), https://news.bloomberglaw.com/us-law-week/doj-fraud-staffers-to-be-protected-from-new-white-house-le

[12] Memorandum, *supra* note 4.

[13] *Id.*

[14] Bahnsen, *supra* note 7.

[15] Mark J. Silberman, et al., *Healthcare Fraud: The Last Bastion of Federal and State White-Collar Enforcement*, Benesch (Feb. 16, 2026), https://www.beneschlaw.com/insight/healthcare-fraud-the-last-bastion-of-federal-and-state-white-collar-er

[16] Bahnsen, *supra* note 7.