ALERT

2025 DOJ Fraud Section Year in Review

February 6, 2026

On January 22, 2026, the U.S. Department of Justice (DOJ) Criminal Division's Fraud Section released its annual Year in Review for 2025 (2025 Report). The Fraud Section prosecutes white collar crime through its four litigating units: Health Care Fraud (HCF), Market, Government, and Consumer Fraud (MGC), Foreign Corrupt Practices Act (FCPA), and Health and Safety (HSU).

The Fraud Section reported a very productive 2025, with enforcement metrics in several categories surpassing or on par with certain eye-popping statistics reported by the Section in 2024. Notably, the number of individuals charged, individuals convicted, and corporate resolutions were all in line with 2024. The 2025 Report also underscores the critical role of corporate compliance programs and remediation when wrongdoing is identified, aligning with the Department's 2025 modifications to the Corporate Enforcement Program (CEP), which seek to encourage voluntary self-disclosure, cooperation, and remediation by providing greater certainty as to outcomes. In addition to several CEP declinations, the past year saw the HCF unit enter into Deferred Prosecution and Non-Prosecution Agreements with corporate entities for the first time in over a decade, while the FCPA Unit also criminally indicted a corporate entity for the first time in 15 years.

The cases featured in the 2025 Report reflect the Trump Administration's priorities in combating fraud against the federal government and the American consumer, with expanded enforcement efforts in HCF and MGC resulting in higher totals, while the more targeted approach to FCPA enforcement resulted in a contraction in that space. Viewed in its totality, the Fraud Section's 2025 results reflect its continued focus on combating fraud against the federal government in all its forms—including customs and tariff fraud, health

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White Collar Defense & Government Investigations care fraud, and procurement fraud—while also pursuing actions to protect American consumers from fraud in the consumer and investment marketplaces. While much ink has been spilled over the purported demise of FCPA enforcement, the 2025 Report underscores that the Fraud Section has maintained an active docket that has been recalibrated to reflect the Administration's priorities.

By the Numbers: The Fraud Section in 2025

In 2025, the Fraud Section publicly charged 265 individuals and convicted 235 through a combination of guilty pleas and trials. These figures are in line with the Fraud Section's highly productive year in 2024 and underscore the Administration's continued focus on combating fraud. The Section conducted 25 trials in 2025, during which its prosecutors convicted 31 individuals. The Section's trial numbers are down slightly from 2024; however, the number of trials is in line with the downward trend from 2022 to 2024 as the Section cleared its pandemic-driven backlog. The Fraud Section brought 15 corporate enforcement actions in 2025—consisting of 12 resolutions and three indictments—an increase over the 13 corporate resolutions in 2024. The "total global monetary recovery" of corporate resolutions in 2025 was over $1 billion. While the dollar recovery is down from the $2.306 billion recovered in 2024, it represents a significant increase over the $689.5 million recovered in 2023.

Fraud Section Resources and Leadership

The Fraud Section will continue to feature prominently in the Department's activities. In November 2025, the Section added a fourth litigating section, the Health and Safety Unit (HSU). The addition of this litigating unit follows the disbanding of the Civil Division's Consumer Protection Branch. The HSU will focus on violations of federal laws designed to protect public health and safety, including the Food, Drug, and Cosmetic Act (FDCA) and the Consumer Product Safety Act (CPSA). With the Fraud Section's investigative resources and operational structure, the HSU is likely to see increased activity in 2026.

In addition to the new litigating unit, the Fraud Section continues to be well-resourced in both numbers and key personnel. The number and distribution of prosecutors assigned to the Fraud Section's litigating units reflects the Department's realignment of priorities—HCF is up to 75 prosecutors from 70, MGC is up to 55 prosecutors from 35 last year, and FCPA is down to 22 prosecutors from 32. The newly added HSU, discussed further below, has 23 prosecutors. It should also be noted that much of the Section's Senior Management has remained in place or been sourced from promotions of experienced supervisors within the Section, which suggests that operations will not skip a beat as the Section enters 2026.

Health Care Fraud Unit

The HCF Unit continues to be the Fraud Section's largest litigating unit. With its 75 prosecutors, the HCF Unit charged 194 individuals with crimes allegedly involving more than $15 billion of intended losses targeted in false and fraudulent claims—a marked jump from $3.3 billion in intended losses charged in 2024. The HCF Unit took 17 cases to trial in 2025 and convicted 150 individuals through trials and pleas. It also secured two corporate resolutions and indicted two companies for distributing controlled substances.

The 2025 Report highlights the diversity of the Unit's fraud enforcement across a wide spectrum of schemes, including telemedicine, prescription drug abuse, Affordable Care Act (ACA) subsidy fraud, wound care scams, and pharmacy buybacks. The HCF Unit's banner year was headlined by its largest-ever National Health Care Fraud Takedown (Takedown) in June. The Takedown—a coordinated nationwide effort involving 50 federal districts across 12 states—resulted in charges being brought against 324 individuals (including 96 licensed medical professionals) and intended losses of more than $14.5 billion. The cases involved the usual variety of telehealth, kickback, and pharmacy shortage schemes to which industry players have grown accustomed over the last decade, as well as some novel schemes that reflect the constantly evolving nature of fraudulent schemes. The Fraud Section's overall emphasis on foreign actors and schemes was also reflected in the targets of the Takedown. This foreign focus can be seen in the Takedown's crowning achievement: Operation Gold Rush. The operation brought down a transnational criminal organization with Russian ties that was purportedly responsible for over $10 billion worth of fraud—the largest loss amount ever charged by the HCF Unit. The scheme involved fraudulent claims for unnecessary durable medical equipment using an international network of shell companies, cryptocurrency exchanges, layered bank accounts, and stolen identities. In a more novel scheme, the HCF Unit also charged four Pakistani defendants with $703 million of fraud using AI-generated patient consults to justify phony prescriptions. Similarly, the Unit brought a series of indictments in connection with the deployment of allegedly unnecessary medical technologies, like amniotic skin grafts.

Another notable development touted in the 2025 Report was the expansion of the New England Strike Force. New England is a geographic region that was previously covered by some combination of the Northeast and Rapid Response groups within the Unit. Through the New England Strike Force, as it has done in other healthcare fraud hot spots, the Fraud Section will deploy specialized prosecutors to the region to serve as a force multiplier. The surge in resources and focus on New England will be an area to watch in 2026.

In addition, and as previewed in the Fraud Section's 2024 Report and in this summer's Takedown publicity, HCF continues to emphasize data mining and analytics to identify and pursue fraud. The 2025 debut of the Health Care Fraud Data Fusion Center brought analytical resources from DOJ, the Department of Health and Human Services Office of Inspector General (HHS-OIG), the Federal Bureau of Investigation (FBI), and other agencies to bear on the persistent problem of health care fraud. If the Unit's 2025 results are any indication, this integration of resources has further strengthened an already powerful enforcement tool, with the potential to do even more in the years ahead.

Market, Government, and Consumer Fraud Unit

The Market, Government, and Consumer Fraud (MGC) Unit focuses on sophisticated financial fraud, schemes to defraud federal benefit programs, tariff-evasion schemes, procurement fraud, and complex consumer-fraud matters. The Unit's name change—from Market Integrity and Major Frauds (MIMF) Unit—reflects the breadth of its enforcement portfolio and expanding role in the Fraud Section's enforcement strategy. The MGC Unit charged 62 individuals last year and obtained 75 convictions, including 10 trial convictions. While these figures represent a decrease in total charges and trials from 2024, they also reflect an increase in overall resolutions when plea agreements are included. The Unit also resolved five corporate matters, including two

Voluntary Self-Disclosure resolutions under the Department's Corporate Enforcement Program (CEP).

As in prior years, the MGC Unit pursued securities-fraud cases involving fraudulent misrepresentations to induce investment, procurement fraud, and consumer-fraud matters. The Report also reveals four emerging trends. First, trade fraud is an enforcement priority. As part of the newly established cross-agency Trade Fraud Task Force, the MGC Unit brought DOJ's first corporate and individual trade-fraud prosecutions. David Guidmond, a Chief Operations Officer of MGI, agreed to plead guilty to orchestrating a scheme to falsify Country-of-Origin declarations to avoid Section 301 duties on Chinese-origin goods.

Second, corporate cooperation will be closely evaluated. After its first CEP resolution in 2024, the Unit resolved multiple matters under the CEP in 2025, including under Part I (albeit in addition to a MGI's self-disclosure. MGI received a declination under Part I of the CEP and agreed to a civil False Claims Act settlement).

Third, foreign actors in international fraud schemes will be a priority. The Unit charged several foreign actors in international fraud schemes, including nationals of China (Lai Kui Sen, Yan Zhao, and Guanhua "Michael" Su), Peru (David Cornejo Fernandez), and Costa Rica (Roger Roger).

Finally, cryptocurrency enforcement is in decline. The 2025 Report is notable for the absence of a section highlighting crypto-fraud prosecutions, a shift from the MIMF Unit's aggressive posture in prior years, and a trend that may continue into 2026.

Foreign Corrupt Practices Act Unit

The FCPA Unit undertook a significant recalibration of its enforcement priorities in 2025. Following the February 2025 Presidential Executive Order Pausing Foreign Corrupt Practices Enforcement to Further American Economic and National Security, the FCPA Unit temporarily paused the initiation of new FCPA investigations and enforcement actions while it reviewed existing actions with an eye towards restoring the "proper bounds on FCPA enforcement and preserv[ing] Presidential foreign policy prerogatives." That pause ended in June 2025, when the Department issued new Guidelines for Investigations and Enforcement of the FCPA (FCPA Guidelines), and the remainder of the year saw the FCPA Unit resume investigating and enforcing the FCPA pursuant to the four "non-exhaustive priority areas" set forth therein: the investigation and prosecution of foreign bribery conduct that (1) facilitates the operations of cartels and transnational criminal organizations; (2) deprives U.S. companies of fair opportunities to compete; (3) undermines U.S. national security interests; and (4) involves substantial bribe payments and efforts to conceal criminal schemes.

Despite the pause, the FCPA Unit charged five individuals, obtained six convictions, and brought three corporate enforcement actions—including the first corporate indictment in more than a decade. Notably, the FCPA Unit tried two cases to a jury against individuals, both leading to convictions. The individuals convicted by the FCPA Unit in 2025 were a diverse group of bribe payers, corporate executives, U.S. citizens, and foreign nationals, intermediaries, and foreign officials who either pled guilty or were convicted on FCPA, conspiracy to violate the FCPA, and/or related money laundering counts.

The three corporate enforcement actions in 2025, while down almost 70% from 2024's decade-high nine resolutions, collectively paint a clear picture of how the FCPA Unit uses the CEP. On one side of the cooperation spectrum, the FCPA Unit declined to prosecute one company in connection with allegations involving a scheme to pay $1.47 million in bribes to state-owned banks in India in exchange for referring bank customers to the company's products. The company voluntarily self-disclosed the conduct, cooperated by providing all known relevant facts about the alleged misconduct and individual participation therein, and remediated by conducting a thorough root-cause analysis, taking personnel actions, and improving its compliance program. That approach earned the company a declination under Part I of the CEP, and the company resolved the case with disgorgement of $4.7 million. On the other side of the spectrum, the FCPA Unit brought its first corporate indictment in fifteen years in a case involving a voting machine services provider, SGO Corporation Limited, a/k/a Smartmatic, that allegedly paid bribes to Philippine officials to obtain and retain business, as well as favorable value-added tax reimbursements. The bribes were allegedly paid through a slush fund generated by over-invoicing the cost of voter machines for the 2016 Philippine elections, and the actors purportedly relied on sophisticated tactics to conceal their misconduct—including communicating through coded language, using fraudulent contracts and sham loan agreements, and routing payments on multiple continents. The third resolution, while not qualifying under Part I or Part II of the CEP, involved substantial credit attributable to the company's voluntary disclosure of related misconduct, as well as its cooperation and remediation. In that case, the company, TIGO Guatemala, received a Deferred Prosecution Agreement (DPA) with a $60 million criminal penalty and a $58 million forfeiture to resolve allegations that its shareholders, employees, and agents engaged in a widespread and systematic bribery scheme involving paying Guatemalan officials with money purportedly derived from narcoterrorism proceeds in exchange for their support on legislation benefiting the company.

All in, the 2025 Report paints a picture of a streamlined and focused FCPA Unit that, despite a marked drop off from 2024's record-breaking numbers, appears to be active and engaged in investigations in line with the Department's priorities, including the initiation of enforcement actions against allegedly corrupt competitors that disadvantage U.S. businesses and individuals that engage in significant fraud schemes, and prosecuting schemes linked to cartels and trans-national criminal organizations, or other threats to U.S. national security. One can be sure that the FCPA Unit will continue to be closely watched by practitioners in 2026.

Health & Safety Unit

The Health and Safety Unit (HSU) is the Fraud Section's newest litigating unit. Its creation in November 2025 stems from DOJ's reorganization and reassignment of criminal prosecutors from the Civil Division's Consumer Protection Branch (CPB) to the Fraud Section. Comprised of prosecutors with significant subject matter expertise, the HSU will retain the mantle of its CPB predecessor by focusing on pursuing criminal violations of the FDCA, CPSA, the Federal Hazardous Substances Act (FHSA), and other statutes targeting dangerous products, substantial infractions that jeopardize highway safety, and elder fraud. While the group is now supervised by veteran Fraud Section leadership, it does not appear that there are significant efforts to change the group's focus or deviate from its long-standing CPB mission.

Four was the magic number in 2025 for the cadre of prosecutors now known as the HSU: the group charged four individuals, convicted four individuals, and brought four corporate enforcement actions. Three of the corporate enforcement actions involved violations of the FDCA, including the landmark $40 million resolution with Kimberly-Clark Corporation of allegations that a company employee falsified test samples to avoid filing a 510(k) premarket notification with the Food and Drug Administration (FDA), ultimately resulting in the sale of adulterated surgical gowns. The fourth involved allegations that a company, Royal Sovereign International Inc., failed to report information concerning portable air conditioners purportedly linked to 40 fires and a death to the Consumer Product Safety Commission (CPSC). Resolutions against individuals involved allegations that clinical researchers falsified trial data and subject eligibility to drug trial sponsors and an FDA investigator, did not report information about defective appliances to the CPSC, and obstructed a Federal Motor Carrier Safety Administration (FMCSA) investigation.

While the HSU's focus on the healthcare industry suggests a potential overlap with the HCF Unit, the two litigating units are more likely to complement than compete with one another. In particular, the HSU appears poised to remain DOJ's primary criminal enforcer of the FDCA, CPSC, and related statutes, and the Unit will likely continue its close working relationships with the FDA, CPSC, FMCSA, and other historical constituent agencies.

What to Expect in 2026

In a year that began with a widely-announced pause in new investigations by the Fraud Section's highly productive FCPA Unit, the Fraud Section has maintained its aggressive pursuit of fraud cases across its other litigating units and resumed its prosecution of FCPA violations. The Fraud Section's priorities are clear, and with the Section's realignment complete and resources enhanced, practitioners and companies can expect the volume of enforcement to continue apace.

Between enhancements to its whistleblower program, encouragement of self-reporting, and increased use of data analytics, the Fraud Section's ability to identify wrongdoing involving specific organizations or across an industry has never been stronger. The DOJ's recent track record of corporate enforcement and application of the CEP, with outcomes that range from declinations to Non-Prosecution agreements to criminal indictment, underscores the importance and potential value of companies' compliance programs and response to identified misconduct.

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