

DOJ's Civil Division Prioritizes Investigations and Enforcement Actions Targeting DEI, Immigration, and Gender-Affirming Health Care

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The Civil Division of the Department of Justice ("DOJ") announced that President Trump and Attorney General Pam Bondi have directed the Civil Division to use its enforcement authorities to "advance the administration's policy objectives." On June 11, 2025, Brett A. Shumate, the Division's recently confirmed Assistant Attorney General, issued a memorandum identifying five policy objectives for civil investigations and enforcement actions: (1) combatting discriminatory practices and policies, (2) ending antisemitism, (3) protecting women and children, (4) ending sanctuary jurisdictions, and (5) prioritizing denaturalization of naturalized U.S. citizens (the "Civil Memorandum").

The Civil Memorandum follows two earlier DOJ memorandums, the first announcing that DOJ is "turning a new page" to focus on fairness and efficiency in white-collar enforcement, and the second announcing DOJs "Civil Rights Fraud Initiative" which launched a joint enforcement effort to target DEI through the False Claims Act. The Civil Memorandum signals that DOJ intends to leverage the False Claims Act to target corporations, government grantees and contractors, health care providers, institutions of higher education, and organizations or individuals that receive federal funding or make certifications to the federal government—a wide swath of the United States economy.

Here's what organizations need to know:

The Civil Memorandum provides that DOJ will focus on the following areas:

1. **Diversity, Equity, and Inclusion Practices and Policies.** The Civil Division will use all available resources, including the False Claims Act, to pursue affirmative litigation combatting what it views as "unlawful discriminatory practices" in the private sector. The Civil Memorandum only briefly describes the intended use of the False Claims Act to combat what the administration views as "illegal DEI." However, it may be implied that the administration intends to use the False Claims Act to target businesses and institutions of higher education that receive federal grants or federal contracts because the administration believes they are falsely certifying compliance with federal law by engaging in "illegal DEI."
2. **Antisemitism.** To assist the Attorney General's newly established "Joint Task Force

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October 7” which is focused on combatting antisemitism in the United States, the Civil Division will use the False Claims Act to target organizations and institutions of higher education that receive federal funds.

3. **Gender-Affirming Health Care.** The Civil Division will use all available resources, including the False Claims Act, to investigate doctors, hospitals, pharmaceutical companies and other organizations or individuals involved in gender-affirming health care. The Civil Division intends to “aggressively pursue” health care providers that bill the federal government for what it considers “impermissible services.” The administration may view submissions to Medicare, Medicaid, and other federal health care programs for services related to gender-affirming health care as medically unnecessary. Under the government’s theory, because those services are not medically necessary, those services are not covered by government programs and providers have therefore submitted a “false” payment under the False Claims Act. The Civil Division further intends to use the Food, Drug and Cosmetic Act (“FDCA”) to investigate manufacturers and distributors engaged in “misbranding” by making false claims about the on- or off-label use of drugs or devices used as puberty blockers, sex hormones, or any other drug used to facilitate a “so-called gender transition.” The Civil Division will also use the FDCA to undertake civil enforcement actions against “dealers” such as online pharmacies suspected of selling drugs used for gender-affirming health care.
4. **Immigration.** The Civil Division will “prioritize and maximally pursue” denaturalization proceedings to strip naturalized U.S. citizens of their citizenship if they are found to have engaged in conduct outlined in the Civil Memorandum’s ten priority categories. Notably, the categories are very broad, including “individuals who engaged in fraud,” which could mean that individuals convicted of misdemeanor fraud could be stripped of their citizenship. This is a significant departure from the federal government’s previous approach to denaturalization, which focused on those who committed serious crimes (e.g., terrorism), or those who had failed to disclose crimes during the naturalization process. The Civil Memorandum does not indicate whether the criminal conduct must have pre-dated naturalization and been undisclosed, or whether the Civil Division could target individuals who committed minor crimes after becoming citizens. Further, the Civil Division will prioritize affirmative litigation to invalidate state and local laws the Civil Division views as conflicting with federal law.

What Happens Next?

In the coming weeks and months, the Civil Division may issue Civil Investigative Demands (“CIDs”) to an increasing number of health care providers, universities, public school districts, contractors, grant recipients, and other organizations or individuals that receive federal funds. CIDs facilitate investigation of potential False Claims Act violations, and based upon the priorities outlined in the Civil Memorandum, such CIDs may demand information, documents, or interviews related to illegal DEI, antisemitism, trans-inclusive policies, practices, programs, or activities, and gender-affirming health care policies, practices, programs, activities, or services.

Key Take-Aways

The Civil Memorandum is another signal that DOJ intends to leverage the False Claims Act to target institutions of higher education, health care providers, contractors, and any other organizations or individuals doing business with the federal government that the administration alleges violate civil rights laws. Organizations that receive federal funds can and should take immediate steps to (1) reduce the likelihood that they become the

target of a federal investigation; and (2) assess and limit the scope of liability if such an investigation does occur. For instance, organizations may consider:

- Conducting a thorough review of all DEI-related policies and practices to ensure that practices and programs do not differentiate based on protected characteristics. This can include hiring, employee resource groups, contracting, grant funding, university admissions, and much more.
- Assessing current practices as they relate to religion-based harassment and speech. Now is the time to determine if policies and practices make clear that religion-based harassment or discrimination are prohibited and responded to. For institutions of higher education, policies should strike a careful balance between permitting the free expression of students, faculty, and staff, and ensuring that others are free from discriminatory harassment.
- Analyzing bathroom, athletics, and other trans-inclusive policies to determine the scope of potential risk, and if there are changes that could be made to reduce risk consistent with your organization's goals.
- Any organizations or individuals that care for patients seeking gender-affirming health care should assess (1) the number of patients seeking such services, and (2) the number of patients covered by federal health care programs, to determine the scope of potential exposure.

In addition, depending on past practices and the scope of federal funds received, some recipients of federal funds may benefit from a preemptive review of past and current policies and practices to determine exposure, if any, to potential False Claims Act liability. The False Claims Act provides for treble damages plus penalties to the federal government, but DOJ has given credit for self-disclosure and cooperation when entities proactively disclose potential violations. Federal fund recipients should consider whether such a review and potential disclosure could be in their best interests.