

The Virgin Islands Consortium

11 Charged Including DHS Employees and Family Members in Medicaid Fraud That Cost Territory \$309,099

The DOJ says a 20-month probe uncovered intentional manipulation of Medicaid systems, costing taxpayers \$309,099, as AG Gordon Rhea vowed accountability and Governor Bryan declared “zero tolerance” for corruption targeting programs for the vulnerable.

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Authorities from the Virgin Islands Department of Justice and the Virgin Islands Police Department conduct arrests at the Department of Human Services offices in Frederiksted, St. Croix, on Wednesday, January 28, 2026. By. EARL MORRIS JR. | THE VIRGIN ISLANDS CONSORTIUM.

ST. CROIX — A sweeping Medicaid and food assistance fraud investigation widened significantly Wednesday, as the V.I. Department of Justice confirmed multiple arrests of Department of Human Services employees, their relatives, and associates, and issued a wanted bulletin for a suspect who remains at large.

The DOJ announced that four employees of the Department of Human Services' Medicaid Program, two employees of the Supplemental Nutrition Assistance Program, and five family members and associates have been arrested and charged following a 20-month investigation into alleged fraud involving Medicaid and SNAP benefits. The investigation uncovered what authorities described as the intentional misuse of government computer systems to bypass eligibility safeguards and unlawfully disburse public funds.

The Virgin Islands Consortium was on the scene earlier Wednesday morning as investigators conducted arrests at DHS offices in Frederiksted. At least three female employees were observed being taken into custody during the operation, which unfolded across multiple locations on the island, including DHS offices in Estate Hannah's Rest and private residences.

According to the DOJ, those charged include Doenyka Lewis, a Medicaid Program employee; Shanoya Hendrickson, a Medicaid Program employee, and her mother, Karen Blyden; Clarissa L. Nunez, a SNAP employee, and her mother, Carmen Nunez; Shantenysa Victor, a Medicaid Program employee; Kenera Sheneal Frederick, a Medicaid Program employee, and her mother, Sharon Olivia Henry; and Lisaminelli Montanez, a SNAP employee, and her partner, Shane Gaston.

Authorities also confirmed that Akim Noel Davis, the husband of Shantenysa Victor, has not yet been located. A wanted bulletin has been issued for Davis, who is sought in connection with the alleged Medicaid fraud. Police listed Davis as 35 years old, a St. Croix native, and urged anyone with information on his whereabouts to contact law enforcement or Crime Stoppers.

The DOJ said the investigation began after DHS' Public Integrity Unit identified irregularities in Medicaid eligibility determinations and referred the matter to the Medicaid Fraud Control Unit for further investigation.

Investigators determined that employees exploited their access to Medicaid systems to alter eligibility information, manipulate files, add ineligible individuals to household records, and approve benefits for individuals who were not legally entitled to receive assistance. In some cases, employees allegedly extended Medicaid coverage for up to two years despite annual recertification requirements and backdated benefits to create the appearance of continuous eligibility.

The alleged actions resulted in an estimated loss of approximately \$309,099.44 in Medicaid funds to the territory.

Those charged face multiple offenses, including Medicaid Fraud, Access to Computer for Fraudulent Purposes, Fraudulent Claims Against the Government, and Embezzlement or Falsification of Public Records.

“We will not tolerate the corruption of vital public programs by those entrusted to administer them,” Attorney General Gordon Rhea said. “The alleged conduct in this case represents a deliberate betrayal of duty and a direct attack on the integrity of the Medicaid & SNAP programs. Our office will continue to pursue any individual who abuses government systems for personal gain.”

Rhea emphasized that the case reflects the Virgin Islands government's own efforts to police corruption internally. “While there are ongoing federal investigations into public corruption, it is important for the community to understand that the Government of the Virgin Islands is also actively and independently investigating corruption within its own systems,” he said. “No one is above the law, and when crimes are uncovered, we will act.”

Earlier Wednesday, in an interview with The Consortium, Rhea confirmed that the arrests were part of a locally initiated investigation led by the DOJ's Special Investigations Division and the Medicaid Fraud Control Unit, working in conjunction with the VIPD. He also confirmed that additional arrests are expected as the investigation continues.

The Department of Human Services acknowledged the arrests in a separate statement, confirming that the matter involves employees within its Medical Assistance Program and SNAP, as well as members of the medical community and program recipients. DHS said the investigation was triggered by an internal tip to its Program Integrity Team and that it is cooperating fully with authorities while taking steps to strengthen oversight.

Governor Albert Bryan Jr. also issued a statement Wednesday condemning the alleged misconduct.

“The arrests announced today involving an alleged Medicaid fraud scheme, including individuals connected to the Virgin Islands Department of Human Services and members of the medical community, are deeply troubling,” Bryan said. “Medicaid exists to serve our most vulnerable residents. Any effort to exploit it is an attack on the public trust and a theft from the people of the Virgin Islands.”

“Let me be clear. I have zero tolerance for corruption, self dealing, or anyone using public office or public programs for private gain,” the governor added.

The DOJ said the investigation remains ongoing and that additional investigative steps are being pursued. Authorities are encouraging anyone with information related to Medicaid fraud to contact the Medicaid Fraud Control Unit.