

United States Senate

WASHINGTON, DC 20510

January 12, 2011

Via Electronic Transmission

Michael P. Howell
Chief Executive Officer
ReachOut Healthcare America
1904 W. Parkside Ln, Suite 201
Phoenix, AZ 85027

Dear Mr. Howell:

We are writing to you regarding allegations of abuse and the fraudulent use of Medicaid tax dollars by the free standing and mobile dental units of ReachOut Healthcare America. We have received information that these operations may be providing unnecessary health care services to Medicaid patients and therefore grossly overcharging the United States government in Medicaid reimbursement claims.

Dentistry Ownership and Certifications

Many states prohibit the corporate practice of medicine and require an individual with an ownership interest in a medical facility to be a licensed care provider in the state in which the facility is located.

In order to gain further insight into these ownership and certification matters, please provide the following information by January 27, 2012:

- 1) A detailed description of ownership of all ReachOut Healthcare America facilities and mobile units from January 1, 2010 to present.
- 2) Dentistry certifications and names for any person with a partial or full ownership interest in each ReachOut Healthcare America facilities and mobile units.
 - a. For each person with a partial or full ownership interest, the total number of procedures they have performed since January 2010, including subtotals of each type of procedure.
 - b. For each person with a partial or full ownership interest, please provide their employment contract with ReachOut Healthcare America facilities and mobile units.
 - c. All purchase agreements, professional services agreements, and attachments by and between ReachOut Healthcare America facilities, mobile units, and affiliates.

Patient Abuse and Medicaid Fraud

In order to ensure that all of the ReachOut Healthcare America facilities, mobile units, and affiliates located across the country are holding up high ethical standards in its patient care and use of Medicaid tax dollars, please provide the following information by January 27, 2012:

- 1) All documents related to production goals set out by ReachOut Healthcare America facilities and mobile units.
- 2) All policies and documents, including emails, regarding any contests or other bonus incentive structure for each dental procedure since January 2010.
- 3) The number of baby root canals and crowns each of your ReachOut Healthcare America facilities and mobile units facilities has performed on all Medicaid and non-Medicaid patients since January 2010.
- 4) All policies, procedures, and documents regarding school personnel observation of all dental procedures being performed.
- 5) All policies, procedures, and documents regarding parental or guardian observation of dental procedures.
- 6) All policies, procedures, and documents regarding the use of the "papoose board" or other restraint devices during dental procedures.
- 7) All policies, training manuals, informational booklets, other classroom materials, and any other related documents provided to dentists or used during the training of any dentists employed by ReachOut Healthcare America facilities and mobile units.
- 8) The amount of revenue by ReachOut Healthcare America facilities and mobile units on Medicaid patients and reimbursement, by clinic, in each year since January 2010.
- 9) All policies related to non-retaliation policies.
- 10) All emails and other documents used to promote the existence of the Disclosure Program to employees of ReachOut Healthcare America facilities and mobile units.

Should you have any questions, please contact Erika Smith with Senator Grassley at (202) 224-5225 or Christopher Law with Senator Baucus at (202) 224-4515 .

Sincerely,



Charles E. Grassley

Senator



Max Baucus

Chairman

cc: The Honorable Kathleen Sebelius
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW

Washington, DC 20201

cc: The Honorable Daniel R. Levinson
Inspector General
U.S. Department of Health and Human Services
330 Independence Avenue, SW
Washington, DC 20201

cc: Dr. Donald Berwick, M.D.
Administrator
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850