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March 2, 2012

BY HAND DELIVERY

The Honorable Max Baucus
Chairman, Committee on Finance
United States Senate
511 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Charles E. Grassley
Committee on Finance
United States Senate
135 Hart Senate Office Building
Washington, D.C. 20510

Re: Second Set of Responses to January 12, 2012 Letter To ReachOut Healthcare America from Senators Baucus and Grassley

Dear Senators Baucus and Grassley:

We are writing on behalf of ReachOut Healthcare America Ltd. ("RHA") in further response to your January 12, 2012 letter. As part of RHA's commitment to providing information responsive to the Committee's requests, RHA is providing the attached second set of responses. We thank you again for the opportunity to address the issues you have raised.

This response addresses several requests that Ms. Smith advised us on February 22, 2012, were priorities for the Committee, including data regarding the numbers of procedures performed by the dentist-owners of the Dental Practices served by RHA (Request I.2(a)), the numbers of baby root canals and crowns performed by the Dental Practices (Request II.3), and the Dental Practices' Medicaid revenue and reimbursements (Request II.8).

As you will see, the numbers of baby root canals ("pulpotomies") and crowns as a percentage of all procedures performed by the Dental Practices ranges from 0% to 1.05%. For all of the Dental Practices in the aggregate, pulpotomies and crowns combined represented only 1.29% of Medicaid reimbursements in 2010, declining to 1.15% in 2011. RHA understands these percentages to be far lower than the typical fixed-site provider of dental services to similar populations [REDACTED]

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Instead of baby root canals and crowns, the procedures that are most frequently performed by the Dental Practices served by RHA are prophylaxes (dental cleanings), x-rays, fluoride application, examinations, sealants, and fillings. The largely preventative procedure mix of the Dental Practices reflects the dental needs of their patients, which generally comprise low-income children in public schools, Head Start programs, and foster programs. As long recognized by the U.S. Surgeon General and most recently highlighted in a February 29, 2012 report of the Senate Subcommittee on Primary Health and Aging (the “Report”), such children are among the most underserved populations, whose basic dental needs often go unmet.¹ The Report expressly cites portable dental clinics, such as the Dental Practices served by RHA, as one method “to reach those in greatest need” of dental care.² Indeed, the mobile dentistry services provided by the Dental Practices overcome several of the barriers to care discussed in the Report, such as inadequate transportation to fixed-site dental clinics and the lack of dentists who are willing to provide care to low-income populations. By providing on-site dental care for low-income children, the mobile dental units operated by the Dental Practices thus help to achieve the Report’s stated goal of “integrating dental services into nontraditional settings, such as schools,” and exemplify the type of “school-based models that are already working.”³

RHA’s second set of responses to the Committee’s requests follows, and is based on readily accessible information in RHA’s possession about RHA and the Dental Practices. We address below only those requests for which RHA is providing documents or information today. We would also like to schedule a call or meeting with you at your earliest convenience to discuss the production to date and outstanding issues.

¹ See *Dental Crisis in America: The Need to Expand Access* at 2 (Feb. 29, 2012), available at <http://www.sanders.senate.gov/imo/media/doc/DENTALCRISIS.REPORT.pdf>; see also U.S. Dep’t of Health and Human Servs., Nat’l Inst. of Dental and Craniofacial Research, Nat’l Insts. of Health, *Oral Health in America: A Report of the Surgeon General* (2000), available at <http://silk.nih.gov/public/hck1ocv.@www.surgeon.fullrpt.pdf>; Surgeon General Regina M. Benjamin, *Oral Health: The Silent Epidemic*, 125(2) Pub. Health Rep., at 158 (2010), available at <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2821841/pdf/phr125000158.pdf>.

² *Dental Crisis in America*, *supra* at 6.

³ *Id.* at 6–7. As Dr. Gregory Folse—the owner of a Dental Practice served by RHA, who is quoted in the Report—testified at a hearing before the Subcommittee, “portable dental units” have “allowed [him] to provide a level of care [that he] could have only dreamed of when [he] started [his] practice in 1992.” *Dental Crisis in America: The Need to Expand Access: Hearing Before the Subcomm. on Primary Health and Aging of the S. Comm. on Health, Educ., Labor, and Pensions* (Feb. 29, 2012) (statement of Dr. Gregory Folse, DDS), available at <http://www.help.senate.gov/imo/media/doc/Folse1.pdf>.

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Dentistry Ownership and Certifications

2) Dentistry certifications and names for any person with a partial or full ownership interest in each ReachOut Healthcare America facilities and mobile units.

The names of all the dentist-owners of the Dental Practices with whom RHA currently contracts were provided as Exhibit 1 to our February 23, 2012 letter. In further response to this request, RHA is producing the remainder of the dentistry certifications for the dentist-owners that RHA has readily available in its possession [Bates Nos. RHA_0001086 – 0001113]. It should be noted that the image of Dr. [REDACTED]'s actual dental license is of poor quality. Accordingly, we are also providing a printout of Dr. [REDACTED]'s certification from the state online license registry. This completes RHA's response to this request.

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.

As noted in our February 23, 2012 letter, there are no persons with an ownership interest in RHA who currently provide clinical dental services. Attached as Exhibit 1 is a chart showing the total number of dental procedures performed by each of the dentist-owners in 2010 and 2011 in connection with their Dental Practices. For those dentist-owners who performed dental procedures in connection with their Dental Practices, Exhibits 1(a), 1(b), and 1(c) provide the subtotals of each type of procedure performed in 2010 and 2011. The data in Exhibits 1, 1(a), 1(b), and 1(c) is for the dentist-owners' RHA-served Dental Practices; it does not include any dental procedures that the dentist-owners performed in connection with any other dental practice the dentists might have that is not served by RHA.

Patient Abuse and Medicaid Fraud

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.

Attached as Exhibits 2(a) and 2(b) are charts showing the number of baby root canals ("pulpotomies") and crowns that the Dental Practices served by RHA performed in 2010 and 2011 on Medicaid and non-Medicaid patients. As discussed above, the number of these two types of procedures represents only between 0% and just over 1% of the total number of procedures performed by the Dental Practices in 2010 and 2011. Some of the Dental Practices did not perform either of these procedures in 2010 or 2011.

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- 4) **All policies, procedures, and documents regarding school personnel observation of all dental procedures being performed.**
and
- 5) **All policies, procedures, and documents regarding parental or guardian observation of dental procedures.**

As explained in our February 23, 2012 letter, policies and other materials responsive to these requests are established by the Dental Practices served by RHA with the approval of their dentist-owners. In our February 23, 2012 production, we provided the Clinical Manual developed by Dr. Elliot Schlang for use by the Dental Practices that he owns and oversees. Dr. Schlang's Clinical Manual specifically provides that dental procedures may be observed by school personnel, parents, and guardians. RHA believes that all of the Dental Practices it serves have adopted the same policies concerning observation of dental procedures as set forth in Dr. Schlang's Clinical Manual.

- 6) **All policies, procedures, and documents regarding the use of the "papoose board" or other restraint devices during dental procedures.**

As explained in our February 23, 2012 letter, policies and other materials responsive to this request are established by the Dental Practices served by RHA with the approval of their dentist-owners. In our February 23, 2012 production, we provided certain documents, including Dr. Schlang's Clinical Manual, that demonstrate the adoption of a non-restraint policy by the Dental Practices. RHA believes that all of the Dental Practices it serves have adopted this non-restraint policy, which provides that papoose boards and other physical restraints should never be used on children 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.**

As explained in our February 23, 2012 letter, policies and other materials responsive to this request are established by the Dental Practices served by RHA with the approval of their dentist-owners. In response to this request, RHA is producing additional policies, manuals, and other related documents provided to dentists by the Dental Practices that are readily available in RHA's possession [Bates Nos. RHA_0001014 – 0001085].

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- 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.**

Attached as Exhibits 2(a) and 2(b) are charts showing the amounts that the Dental Practices served by RHA billed to and collected from the Medicaid program in 2010 and 2011. As explained in the notes to each exhibit, the amounts in the column labeled "Medicaid Revenue" represent the net amount billed for procedures performed on Medicaid patients during the calendar year. The amounts in the column labeled "Medicaid Reimbursement" represent the collections actually received from the Medicaid program during the calendar year (some of which may have been billed in a prior year).

- 9) **All policies related to non-retaliation policies.**

and

- 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.**

In our February 23, 2012 production, we provided an example of the Compliance Manual, which includes a Code of Conduct, that has been adopted by the Dental Practices. RHA believes that all of the Dental Practices it serves have adopted Compliance Manuals that contain substantially the same non-retaliation and disclosure provisions referenced in our February 23, 2012 letter.

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Today's production contains confidential business information. RHA respectfully requests that these documents be maintained confidentially and that, if the Committee is considering releasing any of these documents, RHA be given an opportunity to be heard on that question.

WILMERHALE

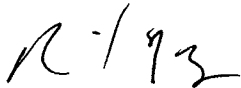
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If you have any questions, please feel free to contact us at the telephone number listed above.

Sincerely,

A handwritten signature in black ink, appearing to read "R. J. Brown".

Reginald J. Brown

Robin L. Baker

Enclosures