



PRESS RELEASE

Attorney General Frosh: Maryland to Receive \$1.02 Million from Settlement for False Claims Submitted for Unnecessary Pediatric Dental Services

BALTIMORE, MD (January 22, 2018) – Maryland Attorney General Brian E. Frosh announced today that Maryland has joined the United States, the District of Columbia, and 19 other states in a settlement agreement relating to allegations against Benevis, LLC (formerly known as NCDR, LLC) and 133 Kool Smiles clinics that received non-clinical practice support from Benevis, LLC. Maryland will receive \$1.022 million as a result of the settlement.

The settlement will resolve allegations that Benevis/Kool Smiles knowingly submitted or caused to be submitted false claims to the Medicaid program related to dental services provided to pediatric patients. Under the settlement, Benevis/Kool Smiles agreed to pay \$23.9 million collectively to the federal and state governments. The participating states will share \$9.65 million of the total settlement.

Specifically, this settlement resolves allegations that from January 1, 2009 to December 31, 2011, Benevis/Kool Smiles submitted false claims to Medicaid for stainless steel crowns, tooth extractions and baby pulpotomies performed on pediatric patients that were either not medically necessary or could have been treated with less costly options. The settlement also resolves allegations that Benevis/Kool Smiles failed to implement appropriate internal controls to prevent overutilization and encouraged overutilization through productivity bonuses and terminations of dentists who did not meet productivity goals.

“These companies cheated the State by billing for services that were unnecessary or could have been done with less costly treatment options,” said Attorney General Frosh. “What’s even worse, they put children through costly, complicated and likely painful procedures that never should have been conducted. It was wrong, inhumane and unlawful.”

Benevis, LLC is a private company that provides non-clinical practice services to dentists and dental clinics throughout the United States, including, but not limited to, providing services relating to the management of clinic finances and administration. Since approximately 2002, Benevis has provided non-clinical practice support to Kool Smiles dental clinics located throughout the United States. The 133 Kool Smiles dental clinics that are parties to the settlement agreement are owned by licensed dentists through professional corporations.

The investigation stemmed from five whistleblower lawsuits, *United States ex rel. Abendano v. DPMS, Inc., NCDR, LLC, et al.*, 3:10-cv-1100, (D. Conn.); *U.S. ex rel. Greenwald, DDS v. Kool Smiles Dentistry, PC, et al.*, 3:10-cv-1100 (D. Conn.); *U.S. et al. ex rel. Rai and Fitzgerald v. KS2 TX, PC, et al.*, 3:17-cv-834 (D. Conn.); *U.S. et al. ex rel. Bowne v. KS-VAP, PC*, 3:16-cv-369 (D. Conn.); and *U.S. et al. ex rel. Alves et al. v. NCDR, LLC, et al.*, 13-CV-0760H (W.D. Tex.). Four of the five cases were consolidated in the United States District Court for the District of Connecticut.

Attorney General Frosh thanked Jennifer S. Forsythe, deputy director of the Medicaid Fraud Control Unit, Assistant Attorney General Lisa Cameron, Chief Auditor Ruth Jarrell, and Senior Auditor Carol Kelly for their work on this matter.