

**REMARKS AS PREPARED FOR DELIVERY BY  
ASSISTANT ATTORNEY GENERAL TONY WEST  
AT THE FORBA, INC. SETTLEMENT PRESS CONFERENCE  
Wednesday, January 20, 2010  
Washington, D.C.**

Good morning and thank you for joining us. I am Tony West, the Assistant Attorney General for the Civil Division. I oversee much of the federal government's civil litigation across the country, including the Department's continuing efforts to vigorously combat health care fraud.

This morning, I am pleased to be here with colleagues from within and without the Department of Justice—Assistant U.S. Attorneys from several districts and Dan Levinson, the Department of Health and Human Services Inspector General—to announce an important civil settlement with FORBA Holdings, LLC, a dental management company that provides administrative and management services to 69 dental clinics around the country known as “Small Smiles Centers.” These Small Smiles dental centers operate in 21 states and the District of Columbia.

In today's settlement, FORBA has agreed to pay the United States \$24 million to resolve allegations that Small Smiles dentists performed unnecessary or substandard dental services on low-income children and then billed Medicaid for those services. There were also allegations that the conduct in these Small Smiles centers was a result of FORBA's management practices designed to maximize corporate profits. These and other claims were brought to us in three *qui tam* actions filed under the False Claims Act.

The Department of Justice took these allegations seriously and investigated FORBA. Although we found many dedicated dentists who were providing appropriate and good services to children in need, we also found too many instances of dentists who were overly aggressive in their treatment—performing procedures like excessive pulpotomies or “baby root canals,” needless stainless steel crowns, or unnecessary tooth extractions.

And we did find evidence that FORBA was putting tremendous pressure on Small Smiles dentists to generate revenues and, as a result, Small Smiles dentists—some of them relatively young and inexperienced—provided either unnecessary dental services or services that didn't meet professionally recognized standards of care.

So today's settlement is the result of holding FORBA accountable for conduct that was both unacceptable and illegal. We have zero tolerance for those who break the law by exploiting needy children. Illegal conduct like this endangers a child's well-being, distorts the judgments of health care professionals, and puts corporate profits ahead of patient safety. Moreover, cash-strapped state Medicaid programs can ill afford excessive medical services that are neither medically necessary nor in the best interest of the patient.

Some of you may ask: Given the conduct of this company, why not force it to close its Small Smiles centers and cease operations? And the answer is that in addition to paying a multi-million dollar monetary penalty, FORBA and Small Smiles have taken several steps over the

past year to ensure compliance with Medicaid rules and mandates. FORBA has also entered into a stringent corporate integrity agreement that the Inspector General will tell you more about. And, particularly important, FORBA has agreed to fully cooperate. It has taken remedial steps, such as terminating several dentists whose practices fell below professional standards, and it is furnishing information to the Government on specific dentists.

Because make no mistake; our work here does not end with this settlement. The agreement announced today releases only the company; our investigation into individual dentists who may have caused harm to young Medicaid patients is ongoing. And where appropriate, we will make referrals to state dental boards, the HHS Inspector General for exclusion proceedings, or, if the evidence warrants, to federal or state prosecutors for possible criminal action. In short, abusing Medicaid beneficiaries for profit is unacceptable, and the Department of Justice will continue to pursue companies and individuals who cross that line.

We were also mindful of the fact that notwithstanding FORBA's conduct, many Small Smiles dentists were doing the right thing and providing quality care to an underserved population. For many of these young patients, Small Smiles is the only source of dental care available to them, so we wanted to strike a balance between enforcement on the one hand and patient access to necessary dental care on the other. This agreement strikes that balance.

Before I turn it over to the Inspector General, I want to thank our law enforcement partners for their dedicated contributions to this case: the HHS Office of the Inspector General; the United States Attorneys' Offices for the Districts of Maryland, South Carolina, Colorado, and the Western District of Virginia; the FBI; and several state Medicaid Fraud Control Units, who are represented here today by the National Association of Medicaid Fraud Control Units. This has been a joint effort among these state and federal agencies, and the hard work and perseverance by the attorneys, investigators, and auditors underscore our collective commitment to curb health care fraud, deter violations, and protect the integrity of our public health care programs by punishing violators, recovering taxpayer dollars, and holding those who provide public health care to the American people accountable for the quality of that care.

Now it is my pleasure to introduce the Department of Health and Human Services Inspector General, Dan Levinson.

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