

Northern District of Texas

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Texas Dental Management Firm, 19 Affiliated Dental Practices, and Their Owners and Marketing Chief Agree to Pay \$8.45 Million to Resolve Allegations of False Medicaid Claims for Pediatric Dental Services

DALLAS – Texas-based MB2 Dental Solutions (MB2) and 21 pediatric dental practices affiliated with MB2, along with their owners and marketing chief, have agreed to pay the United States and the State of Texas Medicaid program \$8.45 million to resolve allegations that they violated the False Claims Act by knowingly submitting, or causing the submission of, claims for pediatric dental services that were not rendered, were tainted by kickbacks, or falsely identified the person who performed the service, announced U.S. Attorney John Parker of the Northern District of Texas.

“Today's settlement demonstrates our unwavering commitment to protect the Medicaid program and the patients it serves from unscrupulous providers,” said U.S. Attorney Parker. “Providers who waste taxpayer dollars by billing for services that were not provided, or were otherwise improper, will be held accountable.” U.S. Attorney Parker commended the Texas Medicaid Fraud Control Unit, the Civil Division of the Texas Attorney General's Office, the FBI and the Health and Human Services Office of the Inspector General for their coordinated efforts to investigate and resolve these allegations.

This settlement resolves allegations that between Jan. 1, 2009, and Dec. 31, 2014, MB2 and affiliated dental practices submitted claims to the Texas Medicaid Fee for Service Program for single-surface fillings in children that were not provided. The settlement also resolves allegations that MB2 paid

kickbacks to Medicaid beneficiaries and their families, marketers, and marketing entities, in violation of the Anti-Kickback Statute, and that MB2 and affiliated dental practices used erroneous Medicaid provider numbers misrepresenting the dentists performing the pediatric procedures.

Medicaid is funded jointly by the states and the federal government. The State of Texas paid for part of the Medicaid claims at issue and will receive approximately half of the settlement amount.

MB2 is a dental management firm based in Carrollton, Texas, that provides management services to affiliated dental offices. The dental practices included in the settlement are Dental Professionals of Texas PLLC; Archstone Dental PLLC; Bliss Dental PLLC; Crescent Dental PLLC; Dental Central PLLC; Dental Family Circle PLLC d/b/a Forney Wellness Dental; DFW Family Dental Centers PLLC; Element Dental PLLC; Fresh Dental PLLC; Galaxy Dental PLLC; Legend Dental PLLC; Peppermint Dental PLLC; Picasso Dental PLLC; Sage Dental PLLC; Spearmint Dental PLLC; Tide Dental PLLC; Vida Dental PLLC; Viva Orthodontics PLLC and Wow Dental PLLC.

As part of the settlement agreement today, Drs. Christopher Steven Villanueva, Trung Minh Tang, Mauricio Dardano, Gabriel Shahwan and Akhil Reddy agreed to pay \$250,000 each to resolve the governments' claims against them individually. They are owners or part owners of MB2 and the dental practices included in this settlement, and practice dentistry in Texas. Frank Villanueva, MB2's head of marketing, also will pay \$100,000 to resolve his alleged personal liability.

As part of this settlement, MB2, Drs. Villanueva, Tang, Dardano, Shahwan, and Reddy have entered into a five-year Corporate Integrity Agreement (CIA) with the Department of Health and Human Services Office of Inspector General (HHS-OIG). The CIA requires an independent review organization to annually assess whether claims reimbursed by a federal health care program were correctly coded, medically necessary and appropriately documented.

"HHS-OIG is particularly vigilant about potential abuses in Medicaid pediatric dental offices where patients and their families are especially vulnerable to questionable practices," said Special Agent in Charge CJ Porter for the HHS-OIG in Dallas. "Today's settlement should ensure other dental clinics are aware that we are watching how they operate and will pursue appropriate resolutions when profits are put before patient care."

Part of the allegations resolved by this settlement were originally filed under the qui tam, or whistleblower, provisions of the False Claims Act by Veronica Garcia, a former MB2 employee. The act permits private parties to sue on behalf of the government for false claims for government funds and to receive a share of any recovery. It also permits the government to intervene in such lawsuits,

as it did in this case. Ms. Garcia will receive \$1.521 million from the United States and the State of Texas.

This settlement illustrates the government's emphasis on combating health care fraud and marks another achievement for the Health Care Fraud Prevention and Enforcement Action Team (HEAT) initiative, which was announced in May 2009 by the Attorney General and the Secretary of Health and Human Services. The partnership between the two departments has focused efforts to reduce and prevent Medicare and Medicaid financial fraud through enhanced cooperation. One of the most powerful tools in this effort is the False Claims Act. Since January 2009, the Justice Department has recovered a total of more than \$31.8 billion through False Claims Act cases, with more than \$19.3 billion of that amount recovered in cases involving fraud against federal health care programs.

The matter was handled by Assistant U.S. Attorneys Kenneth G. Coffin and Scott Hogan. The claims resolved by the settlement are allegations only and there has been no determination of liability.