



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



MAY 15 2012

VIA ELECTRONIC MAIL

Sheila Sawyer, Esq.
General Counsel and Chief Administrative Officer
Church Street Health Management
618 Church Street
Suite 520
Nashville, TN 37219

Lorri Steiner
Chief Compliance Officer
Church Street Health Management
618 Church Street
Suite 520
Nashville, TN 37219

RE: Church Street Health Management Corporate Integrity Agreement

Dear Ms. Sawyer and Ms. Steiner:

The purpose of this letter is to formalize the terms of an agreement between Church Street Health Management, formerly known as FORBA Holdings, LLC (hereinafter, "CSHM") and the Office of Inspector General (OIG) of the United States Department of Health and Human Services as discussed during our conference call on May 3, 2012.

As you are aware, the purpose of the OIG's participation on this conference call was to express its concerns regarding the alarming findings of the Independent Monitor from its visit to CSHM's Small Smiles Dental Centers of Oxon Hill (Oxon Hill Center) on March 7, 2012. Of particular concern to the OIG was the fact that CSHM's Chief Compliance Officer, Chief Dental Officer, Senior Vice-Presidents of Operations, Executive Vice-President of Operations, Compliance Attorney and Regional Director conducted a site visit on February 15 and 16, 2012, yet failed to identify the serious quality of care infractions as detailed by the Independent Monitor in its April 20, 2012 Site Visit Report for Oxon Hill Center.

As we indicated during our conference call, the OIG has identified CSHM's breach of the CIA across numerous provisions of the CIA based upon the findings at Oxon Hill Center by the Independent Monitor. The OIG will require CSHM's immediate action to address and implement the Independent Monitor's recommendations at Oxon Hill Center pursuant to CSHM's obligations under Section III.E.3.b of the CIA. In addition, the OIG requires CSHM to address and fully implement the following corrective action at Oxon Hill Center no later than May 22, 2012:

1. By May 14, 2012, CSHM shall close Oxon Hill Center for the purpose of comprehensively reviewing the Independent Monitor's April 20, 2012 Oxon Hill Site Visit Report with the entire staff. The OIG expects the Chief Compliance Officer, the Chief Dental Officer, and the Regional Director(s) to conduct the review with the staff on behalf of CSHM. This review of the Independent Monitor's Report shall also include a detailed discussion with the entire staff of the corrective action that CSHM will be implementing at Oxon Hill Center.
2. By May 21, 2012, CSHM shall close Oxon Hill Center for the purpose of conducting General Training, Billing and Reimbursement Training, Clinical Quality Training, and Periodic Training, as required under Section III.C of the CIA, for the entire staff at Oxon Hill Center. The OIG expects that the Chief Compliance Officer and the Chief Dental Officer to personally conduct these training sessions.
 - a. As part of this training effort, the Chief Dental Officer shall cover CSHM's policies and procedures, as well as professionally-recognized standards of pediatric dental care, on all topics addressed in the April 20, 2012 Monitor's Report including but not limited to, the following: appropriate use of mouth props, patient stabilization practices, appropriate use and administration of anesthesia.
3. The OIG expects that the Independent Monitor will be present during the review of the April 20, 2012 Site Visit Report and CSHM's General Training, Billing and Reimbursement Training, Clinical Quality Training, and Periodic Training sessions to evaluate the content and sufficiency of the training.
4. CSHM shall implement an immediate suspension of billing activities at Oxon Hill Center. Billing for Oxon Hill Center shall resume only until such time as the Independent Monitor's recommendations have been fully implemented, along with CSHM's full satisfaction of the additional obligations as detailed in this letter.
5. CSHM shall implement a records management system that is sufficient to address the Monitor's recommendations at Oxon Hill Center.

6. CSHM shall conduct claims reviews of claims submitted for services rendered by the Oral Surgeon at Oxon Hill Center. In addition, CSHM shall conduct a claims review of a statistically valid random sampling of claims for each dentist who has practiced at Oxon Hill Center since the Effective Date of the CIA.
7. CSHM shall conduct a thorough investigation regarding the February 20, 2012 adverse event involving Oxon Hill Center's oral surgeon. CSHM shall provide the OIG with a detailed report of its investigation by May 31, 2012.

In addition to these obligations, CSHM shall agree to a new CIA provision that provides the OIG with the right to demand that CSHM temporarily suspend services at any CSHM facility for training or other purposes on the basis of the Independent Monitor's findings as detailed in the Independent Monitor's Reports. The OIG will also require CSHM to modify the Patient Advocate job description to reflect that this individual will be required to perform site visits to CSHM facilities for the purpose of ensuring that the obligations of Section III.A.4 of the CIA are fully satisfied by CSHM.

Finally, the OIG has determined from its own site visits to various CSHM facilities that CSHM has failed to comply with its obligations under Section III.B.2.e of the CIA which requires CSHM to have:

Measures in place to promote adherence to the compliance and quality of care standards set forth in the applicable statutes, regulations, Federal health care program and state dental board requirements, [American Academy of Pediatric Dentistry] guidelines, and the CIA, by including such adherence as a significant factor in determining the compensation to Covered Persons. These Policies and Procedures shall be designed to ensure that financial incentives do not motivate such individuals to engage in improper conduct, or provide excessive or substandard services or items. These Policies and Procedures shall include a requirement that compliance be a component of each employee's performance objectives and evaluation, and that compensation and incentive awards, such as bonuses, be directly linked to performance on clinical quality measures (if applicable) and compliance program effectiveness.

Specifically, in our interviews with staff during our site visits, it has become increasingly clear that CSHM has failed to implement any compliance or human resources-related policies and procedures which mandate that "compliance be a component of each employee's performance objectives and evaluation, and that compensation and incentive awards, such as bonuses, be directly linked to performance on clinical quality measures (if applicable) and compliance program effectiveness" as required by Section III.B.2.e of the CIA. The OIG expects CSHM's full compliance with these specific provisions of the CIA no later than May 31, 2012.

The OIG will instruct the Independent Monitor to carefully evaluate the extent to which CSHM has complied with its obligations under the CIA and, in particular, the additional CIA obligations that we outline in this letter.

The parties agree that this letter shall serve as an amendment to the CIA and that CSHM's failure to implement the additional integrity obligations set forth in this letter shall be a Material Breach under Section X.E.1 and shall be subject to Stipulated Penalties under Section X.B.1 of the CIA.

If CSHM agrees to the terms of this letter, please provide the countersignatures below and return this letter no later than Friday, May 18, 2012. If you have any questions regarding this letter or CSHM's obligations under its CIA, please contact Felicia Heimer at (305) 536-6927.

Sincerely,

/Gregory E. Demske/
Gregory E. Demske
Chief Counsel to the Inspector General

/Sheila W. Sawyer/
Sheila Sawyer, Esq.
General Counsel, Chief Administrative Officer
Church Street Health Management

5/18/2012
Date

/Lorri L. Steiner/
Lorri Steiner
Senior Vice President, Chief Compliance Officer
Church Street Health Management

5/18/2012
Date