

March 16, 2026

Seth Gold
Medicaid Director
Louisiana Department of Health

RE: Appeal of Written Decision on DentaQuest Appeal of Notice of Monetary Penalty

Dear Mr. Gold:

I write in response to the LDH Written Decision on DentaQuest Appeal dated March 9, 2026 and attached as Exhibit A (“LDH Decision”), in which the Louisiana Department of Health (“LDH”) upheld the monetary penalty in the amount of \$490,000 imposed on DentaQuest USA Insurance Company, Inc. (“DentaQuest”) from which DentaQuest appealed in its letter dated February 17, 2026, attached as Exhibit B.

DentaQuest continues to oppose the imposition of these liquidated damages as being excessive and overly punitive. Pursuant to Section 3.6.11.2.2 of Contract Reference No. 2000506234 between LDH and DentaQuest (the “Contract”), DentaQuest hereby appeals the decision of the designee of the Deputy Medicaid Director, Pam Diez, Medicaid Chief Operating Officer, to deny relief to DentaQuest.

Background

In a letter dated February 10, 2026, LDH issued DentaQuest a Notice of Monetary Penalty, attached as Exhibit C (“NOMP”), imposing \$490,000 in liquidated damages for its failure to comply with the Contract at Sections 2.5.4 and 3.3.4 by failing to meet Service Authorization System requirements and provide complete and accurate reports timely, which hindered LDH’s ability to assess DentaQuest’s performance effectively. LDH determined that this failure to adhere to the Contract requirements warranted the assessment of a monetary penalty of \$2,500 per calendar day of non-compliance encompassing the 196 day period from April 30, 2025 through November 14, 2025.

DentaQuest was surprised to receive the NOMP given the consistent communications between the parties and appealed the liquidated damages, pursuant to Section 3.6.11.2.1 of the Contract. In its appeal DentaQuest requested that LDH amend the calculation of the non-compliance period by reducing the penalty period by the 149 days LDH took to validate the report that is the subject of the liquidated damages, thereby reducing the amount of the liquidated damages assessed.

On March 9, 2026, Pam Diez, Medicaid Chief Operating Officer, denied DentaQuest’s appeal of the assessment of the liquidated damages and sustained the assessment of the full amount of damages calculated using the original 196 day period rather than discounting for the 149 day period during which LDH did not validate the submitted report. In its response to DentaQuest’s appeal, LDH did not address the points DentaQuest raised in the appeal and, as a result, DentaQuest again appeals for the reasons set forth in this letter.

Discussion

DentaQuest is appealing the assessment of the liquidated damages as excessive. DentaQuest submitted its original Report 0188 timely and in good faith. LDH waited 149 days before requesting DentaQuest resubmit Report 0188, but thus far has refused to exclude those 149 days in its calculation of liquidated damages. DentaQuest maintains that the inclusion of the time period between April 30 through November 14, 2025 is not a proper time period for liquidated damages as that delay in remediating the issue is not DentaQuest's fault.

DentaQuest is merely requesting that it not be penalized for the lengthy period of time that LDH took to validate the data in the reports. LDH is imposing a penalty based on a 196 day period of which 149 of those days is comprised of a period that LDH could have curtailed with its own reasonably prudent actions. In other words, 76% of the period LDH is penalizing DentaQuest is associated with LDH's own inaction.

On one occasion, LDH was able to validate the data immediately. On another occasion, LDH was able to validate the data within a 21-day timeframe. Therefore, a 149-day timeframe to validate data is the clear outlier and DentaQuest should not be penalized for this unusual delay.

In addition, LDH's actions are in complete contrast to its historical behavior. DentaQuest and LDH have partnered to provide Medicaid dental services to the citizens of Louisiana since 2021. During the course of this partnership, DentaQuest and LDH have historically worked together to resolve those uncommon occurrences where LDH believed that DentaQuest was not performing to the standards outlined in the Contract without the need for escalation or extreme penalties.

In these situations, LDH has generally alerted DentaQuest via email requesting that any differential behavior be corrected expeditiously. After understanding the issue and determining the root cause, DentaQuest has consistently made remediations in an efficient and expedient timeframe. Even in the instant situation, from the moment LDH made DentaQuest aware of the reporting issue on September 29, 2025, DentaQuest worked diligently with LDH in identifying the issue and determining the root cause before ultimately resolving the issue on November 14, 2026. During this time DentaQuest kept regular in regular communication with LDH and was able to resolve the situation in 49 days.

In the LDH Decision, LDH stated that it "acknowledges and appreciates its partnership with DentaQuest and recognizes the importance of maintaining a collaborative working relationship." We ask that in order to further the maintenance of a collaborative working relationship, LDH reconsider the time period used to calculate the liquidated damages.

As a partner DentaQuest respectfully requests that LDH considers its own responsiveness in reconsidering the calculation of the liquidated damages.

Conclusion

DentaQuest asks that LDH take into consideration only that period of time after notification on September 26, 2025 and exclude the 149 days between initial submission and final acceptance. With the exclusion of the 149 days it took for LDH to validate the report, the actual calendar days for noncompliance would be

49. In calculating the liquidated damages with 49 days, the total amount assessed would be \$122,500. We believe this would be a more accurate and appropriate assessment.

We appreciate your time reviewing this appeal. We are happy to discuss all issues related to this matter so that we can reach a mutually agreeable solution.

Sincerely,

Bridgette Edwards

DBPM CEO, Louisiana Plan

DentaQuest USA Insurance Company, Inc.

EXHIBIT A

LDH Written Decision on DentaQuest Appeal dated March 9, 2026

Jeff Landry
GOVERNOR



Bruce D. Greenstein
SECRETARY

State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

VIA E-MAIL ONLY

March 9, 2026

Ms. Bridgette Edwards, DBPM CEO, Louisiana Plan
DentaQuest USA Insurance Company, Inc.
465 Medford Street
Boston, MA 02129

RE: LDH Written Decision on DentaQuest Appeal – Failure to Submit Complete and Accurate Reports Timely

Dear Ms. Edwards:

On February 10, 2026, the Louisiana Department of Health (LDH) issued a Notice of Monetary Penalty (NOMP) to DentaQuest USA Insurance Company, Inc. (DentaQuest) regarding DentaQuest's failure to timely submit a complete and accurate *Report 0188 – Prior Authorization Summary* ("Report 0188") for the first calendar quarter ("Q1") of 2025, which resulted in DentaQuest being out of compliance with its contract with LDH.¹ On February 17, 2026, LDH received DentaQuest's letter titled, "Appeal of Notice of Monetary Penalty."² In accordance with the DentaQuest and LDH contract at Section 3.6.11.2, LDH accepts DentaQuest's letter as a timely appeal of the NOMP at issue.

LDH maintains that DentaQuest was non-compliant with Sections 2.5.4 and 3.3.4 by failing to meet Service Authorization System requirements and by failing to provide complete and accurate reports, a point that DentaQuest does not dispute. LDH assessed the \$490,000 penalty in response to DentaQuest's repeated submission of inaccurate data and failure to meet Service Authorization System requirements, which commenced on April 30, 2025. The LDH Business Analytics team subsequently conducted a more comprehensive data analysis of DentaQuest's Q1 2025 Report 0188 submission, and provided feedback on September 26, 2025.

On October 14, 2025, DentaQuest confirmed that discrepancies were associated with efforts to "redo authorizations for members who had not come in for approved services." However, this explanation was not supported by DentaQuest's encounter data,

¹ The notice is available online at:

https://ldh.la.gov/assets/docs/BayouHealth/Accountability/2.0/DentaQuest/DEN1-16_NOMP_Submit_Complete_Accurate_Reports_Timely_2.10.26.pdf

² The appeal is available online at:

https://ldh.la.gov/assets/docs/BayouHealth/Accountability/2.0/DentaQuest/DEN1-16_2.10.26_NOMP_Appeal_2.17.26.pdf

Ms. Bridgette Edwards

March 9, 2026

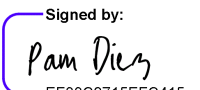
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which validated that the referenced authorized services were historically rendered and reimbursed in 2021. On November 6, 2025, DentaQuest acknowledged that the 2021 data had been misreported and stated that its authorization system could not locate reprocessing details for any of the repeat authorizations. Throughout the review period, multiple replacement submissions failed the LDH Business Analytics team's transparency validation. DentaQuest's explanation, along with the absence of supporting documentation, exacerbated LDH's validation efforts. On November 14, 2025, LDH successfully validated DentaQuest's fifth replacement report, which LDH received on November 12, 2025. DentaQuest continued to fail to provide accurate, transparent, and verifiable data despite multiple opportunities for correction.

LDH acknowledges and appreciates its partnership with DentaQuest and recognizes the importance of maintaining a collaborative working relationship. While LDH appreciates responsiveness and error corrections, full and sustained compliance with contractual standards ensure program integrity and transparency in reporting.

For the reasons stated above, the monetary penalty in the amount of \$490,000 will stand. Should you have any questions, please do not hesitate to contact me.

Sincerely,

Signed by:

EF88C3715EFC415...

Pam Diez

Medicaid Chief Operating Officer

PD/js

cc: Brandon Bueche
Andrea Perry
Kristie Robinson
Carmen Valliere
DEN1-16

EXHIBIT B

DentaQuest Appeal of Notice of Monetary Penalty dated February 17, 2026

February 17, 2026

Brandon Bueche
Medicaid Deputy Director
Program Operations & Compliance, and Pharmacy
Louisiana Department of Health

RE: Appeal of Notice of Monetary Penalty

Dear Mr. Bueche:

I write in response to your Notice of Monetary Penalty dated February 10, 2026 (“NOMP”), in which the Louisiana Department of Health (“LDH”) asserts that it is imposing liquidated damages upon DentaQuest USA Insurance Company, Inc. (“DentaQuest”) due to DentaQuest’s failure to submit complete and accurate reports timely, pursuant to Contract Reference No. 2000506234 between LDH and DentaQuest (the “Contract”).

In the NOMP, LDH is imposing \$490,000 in liquidated damages upon its contractual partner for its failure to comply with the Contract at Sections 2.5.4 and 3.3.4 by failing to meet Service Authorization System requirements and provide complete and accurate reports timely, which hindered LDH’s ability to assess DentaQuest’s performance effectively. LDH has determined that this failure to adhere to the Contract requirements warrants the assessment of a monetary penalty of \$2,500 per calendar day of non-compliance encompassing the 196 day period from April 30, 2025, through November 14, 2025.

DentaQuest was surprised to receive the NOMP given the consistent communications between the parties and opposes the imposition of these liquidated damages as being excessive and overly punitive. Accordingly, we respectfully appeal the liquidated damages, pursuant to Section 3.6.11.2 of the Contract, and request that LDH amend the calculation of the non-compliance period thereby reducing the amount of the liquidated damages assessed based on the reasons set forth herein.

Background

On April 30, 2025, DentaQuest timely submitted LDH Report 0188 – Prior Authorization Summary (“Report 0188”) for the first calendar quarter (“Q1”) of 2025, following the established Report 0188 template. LDH received DentaQuest’s Report 0188 submission on April 30, 2025. On September 26, 2025, 149 days after DentaQuest’s initial submission, LDH made the following request to DentaQuest through its online document submission platform, Salesforce: “Please review the total on the Pre Auth Summary tab of the 0188 report, which does not match the totals on the data collection tab. Please review and make the corrections ASAP. Thanks.”

On the next business day, September 29, 2025, DentaQuest resubmitted a second Q1 2025 report, “0188 DentaQuest 2025 Q1_Replace 1.” On the same day it was received, LDH notified DentaQuest via email that there were continuing issues with data on certain tabs not corresponding and requested the report

be resubmitted with corrections. In response, DentaQuest submitted “0188 DentaQuest 2025 Q1_Replace 2.” On the same day, DentaQuest received notification that LDH had approved the submission.

On October 14, 2026, in an email to DentaQuest, LDH stated in part, “we [LDH] noted a discrepancy in the “Data Collection tab” of the SFY 2025 Q1 DQ report. The “Date Received” year is listed as 2021, while the “Date Processed” is 2025.” On the same date, DentaQuest submitted “Q1 2025 report, 0188 DentaQuest 2025 Q1_Replace 3” in response to LDH.

On November 6, 2025, LDH notified DentaQuest through its online document submission platform, Salesforce, that the latest submission by DentaQuest was rejected and instructed DentaQuest to resubmit the report within 7 days. LDH listed the following reason for rejection: “This report is being rejected due to a data discrepancy. The information could not be validated and does not meet the contract standard for the service authorization system”.

On November 7, 2025, LDH communicated the following to DentaQuest via email stating, in part, “It’s imperative that we receive accurate and complete data that can be properly validated. These discrepancies have delayed our annual Transparency Report, so timely correction is essential. Please ensure that the corrected report is reviewed and resubmitted no later than close of business Wednesday”.

On November 12, 2025, DentaQuest submitted “0188 DentaQuest 2025 Q1_Replace 4” in response to LDH. On November 14, 2025, LDH notified DentaQuest through its online document submission platform, Salesforce, that the latest submission by DentaQuest was approved.

Discussion

DentaQuest is appealing the assessment of the liquidated damages as excessive for the following reasons:

1. Delay by LDH in Reviewing Report

DentaQuest submitted its original Report 0188 timely and in good faith. For some unknown reason, LDH waited 149 days before requesting DentaQuest resubmit Report 0188 because of data discrepancies found in the report. LDH now seeks to include the 149 days that it waited to communicate with DentaQuest in its calculation of liquidated damages. DentaQuest believes that the inclusion of the time period between April 30 through November 14, 2025, is not a proper or equitable result.

DentaQuest should not be penalized for the lengthy period of time that LDH took to validate the data in the reports. Although only LDH is privy to the cause of the delay, it is clear from the facts that LDH has the ability to validate the data in a more compressed timeframe. On one occasion, LDH was able to validate the data immediately. On another occasion, LDH was able to validate the data within a 21-day timeframe. On a third occasion, LDH was able to validate the data in a 2-day timeframe. Therefore, a 149-day timeframe to validate data is the clear outlier and DentaQuest should not be penalized for this unusual delay.

2. Inconsistent Historical Behavior

DentaQuest and LDH have partnered to provide Medicaid dental services to the citizens of Louisiana since 2021. During the course of this partnership, DentaQuest and LDH have historically worked together to resolve those uncommon occurrences where LDH believed that DentaQuest was not performing to the standards outlined in the Contract without the need for escalation or extreme penalties.

In these situations, LDH has generally alerted DentaQuest via email requesting that any differential behavior be corrected expeditiously. After understanding the issue and determining the root cause, DentaQuest has consistently made remediations in an efficient and expedient timeframe. Even in the instant situation, from the moment LDH made DentaQuest aware of the reporting issue on September 29, 2025, DentaQuest worked diligently with LDH in identifying the issue and determining the root cause before ultimately resolving the issue on November 14, 2026. During this time DentaQuest kept in regular communication with LDH and was able to resolve the situation in 49 days. However, LDH pursued a remedy that was a complete surprise to DentaQuest because of its inconsistency with past actions in levying such a punitive fine.

Conclusion

DentaQuest has been proud to serve LDH's Medicaid program since 2021. During our collaborative relationship LDH, we have worked extensively and consistently to establish ourselves as a dental benefits innovator that has contributed to the improved oral health and overall wellbeing of Louisiana residents.

For the reasons set forth above, DentaQuest respectfully requests that LDH recalculate the non-compliance period thereby reducing the amount of the liquidated damages assessed. DentaQuest asks that LDH take into consideration only that period of time after notification on September 26, 2025 and exclude the 149 days between initial submission and final acceptance. With the exclusion of the 149 days it took for LDH to validate the report, the actual calendar days for noncompliance would be 49, the vast majority of which is still comprised of time for which LDH was in possession of the reports. Nevertheless, in calculating the liquidated damages with 49 days, the total amount assessed would be \$122,500. If any penalty is warranted, we believe this would be a more accurate and appropriate assessment.

We appreciate your time reviewing this appeal. We are happy to discuss all issues related to this matter so that we can reach a mutually agreeable solution.

Sincerely,

Bridgette Edwards

Bridgette Edwards

CEO, Louisiana Plan

DentaQuest USA Insurance Company, Inc.

EXHIBIT C

LDH Notice of Monetary Penalty dated February 10, 2026



State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

VIA E-MAIL ONLY

February 10, 2026

Ms. Bridgette Edwards, DBPM CEO, Louisiana Plan
DentaQuest USA Insurance Company, Inc.
465 Medford Street
Boston, MA 02129

RE: Notice of Monetary Penalty – Failure to Submit Complete and Accurate Reports Timely

Dear Ms. Edwards:

DentaQuest USA Insurance Company, Inc. (DentaQuest) has the obligation to ensure that all required reports submitted to LDH are complete, accurate, and timely in accordance with the terms of its signed contract with the Louisiana Department of Health (LDH), effective January 1, 2021, (the “Contract”).

The Contract provides, in relevant part:

3.6 Monetary Penalties

3.6.1 LDH may assess monetary penalties when the DBPM fails to meet Contract requirements. LDH’s failure to assess monetary penalties in any instance will not waive the right of LDH to assess monetary penalties for a similar or related instance.

[...]

3.6.5 Table of Monetary Penalties

Number	Requirement	Monetary Penalty
21.	Failure to timely submit any complete and/or accurate standing or ad hoc report in accordance the Contract.	\$2,500 per day after due date.

LDH's *Report 0188 – Prior Authorization Summary* ("*Report 0188*") for the first calendar quarter ("Q1") of 2025 was due to LDH by April 30, 2025, following the established *Report 0188* template.

LDH received DentaQuest's *0188 DentaQuest 2025 Q1* report submission on April 30, 2025. Upon review, LDH determined that the report included 552 counts of service data from 2021 and that the "PQ188 Pre Auth Summary (1)" tab total did not match the totals on the "Data Collection (4)" tab. Therefore, LDH rejected DentaQuest's Q1 2025 *Report 0188* on September 26, 2025.

On September 29, 2025, DentaQuest resubmitted a second Q1 2025 report, *0188 DentaQuest 2025 Q1_Replace 1*, which LDH rejected on that same day due to the "Pre Auth Denial (2)" tab's EPSDT total of 6,631 and the Adult Denture total of 1,095 continuing to not correspond with the data reported on the "Data Collection (4)" tab. On that same day, DentaQuest submitted a third Q1 2025 report, *0188 DentaQuest 2025 Q1_Replace 2*, which LDH inadvertently approved on September 29, 2025, and LDH subsequently reinitiated the review process on October 14, 2025, due to the report failing data validation. The "Data Collection (4) tab" contained 156 counts for services authorized and rendered in 2021.

On October 14, 2025, DentaQuest submitted a fourth Q1 2025 report, *0188 DentaQuest 2025 Q1_Replace 3*, which LDH rejected on November 6, 2025, due to a continued data discrepancy. LDH determined that it could not validate the information DentaQuest reported because the corrected data did not meet Service Authorization System contract standards.

On November 7, 2025, LDH sent an email to DentaQuest reiterating the importance of receiving complete and accurate data that could be appropriately validated and advised that the identified discrepancies delayed LDH's annual Transparency Report requirement. As such, LDH informed DentaQuest that the timely correction of its Q1 2025 *Report 0188* was essential and that DentaQuest must resubmit a corrected report by November 12, 2025.

On November 12, 2025, DentaQuest submitted a fifth Q1 2025 report, *0188 DentaQuest 2025 Q1_Replace 4*, which LDH determined met the 99.5% accuracy threshold and Service Authorization System requirements. Therefore, LDH approved this report on November 14, 2025. Nevertheless, DentaQuest's accurate Q1 2025 *Report 0188* was 196 days overdue, due to numerous inaccurate report submissions.

LDH determines that DentaQuest failed to comply with the Contract at Sections 2.5.4 and 3.3.4 by failing to meet Service Authorization System requirements and provide complete and accurate reports timely, which hindered LDH's ability to assess DentaQuest's performance effectively. Failure to adhere to the Contract requirements cited herein warrants the assessment of a monetary penalty of \$2,500 per calendar day after the due date. Accordingly, a total penalty of \$490,000 will be deducted from DentaQuest's next capitation payment.

Ms. Bridgette Edwards

February 10, 2026

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Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Brandon J. Bueche". The signature is written in a cursive style with a large initial 'B'.

Brandon Bueche

Interim Medicaid Deputy Director

Program Operations & Compliance, and Pharmacy

BB/js

cc: Andrea Perry
Kristie Robinson
Carmen Valliere
DEN1-16