

# STUDEBAKER | NAULT

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August 28, 2018

John M. Steel  
DLA Piper LLP  
701 Fifth Avenue, Suite 7000  
Seattle, WA 98104

Re: Washington Dental Service

Dear Mr. Steel:

Our firm is writing on behalf of Bernard J. Larson, DDS, who, as you know, is a member of Washington Dental Service (“WDS”). This letter regards the WDS Board of Directors’ persistent denial of Dr. Larson’s statutory and common-law right, and his right under the Amended and Restated Bylaws of Washington Dental Service (the “Bylaws”), to participate in the governance of WDS.

Prompted by concerns regarding the WDS Board of Directors’ lack of transparency and lack of patient focus, Dr. Larson and other member dentists petitioned the Board of Directors to hold two special member meetings in 2017 to vote on proposed amendments to the Bylaws. Over 2,300 of the 4,476 member dentists eligible to vote participated in both special meetings in person or by proxy. The proposed Bylaws amendments were approved by 91% percent of the member dentists participating in the special meetings. Following the special meetings, the Board of Directors rejected the Bylaws amendments that had been overwhelmingly approved by the member dentists. In so doing, the Board of Directors frustrated the exercise of the member dentists’ rights to participate in the governance of WDS.

Subsequently, the WDS Board of Directors refused to hold an annual member meeting for two consecutive years. Over Dr. Larson’s repeated objections, WDS refused to hold an annual member meeting in 2017. It did so again in 2018. As Dr. Larson has repeatedly addressed with WDS, Section 24.03.075 of the Revised Code of Washington requires that an annual meeting of a nonprofit corporation’s members “must be held at the time stated in or fixed in accordance with the bylaws.” Pursuant to the Bylaws, an annual member meeting “shall be held on the second Friday in November.”

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Failing to hold these annual meetings denied Dr. Larson and the organization's other member dentists their right to participate in the governance of WDS. Additionally, it has exacerbated the Board of Directors' lack of transparency, which was among the persistent problems the proposed Bylaws amendments were meant to rectify.

Absent an unobstructed forum for dialogue among the members dentists and between the member dentists and the Board of Directors, by this letter Dr. Larson requests information concerning the questions below.

1. What are the criteria for placing member dentists on focused review?
  - a. Can performing a certain number of a particular type of procedure alone subject a dentist to focused review?
  - b. Can deviating from the mean in the performance of a particular type of procedure alone subject a dentist to focused review?
2. Under what circumstances, if any, is a member dentist placed on focused review as a result of a non-dentist's review of the member dentist's claims?
3. What percentage of denied claims are denied as a result of a dentist's review of the claim?
4. Has there been an increase in the number of member dentists placed on focused review over the past 5 years?

We would appreciate a prompt response to the above questions. If you need any additional information, please do not hesitate to contact me.

Regards,

STUDEBAKER NAULT, PLLC



Emily R. Studebaker

cc: Bernard J. Larson, DDS