

UNITED STATES DISTRICT COURT  
DISTRICT OF CONNECTICUT

UNITED STATES OF AMERICA	:	
	:	CRIMINAL NO:
	:	3:24 CR 175 (VAB)
v.	:	
	:	
	:	
LAKSHMI BETHI	:	December 15, 2024

**DEFENDANT LAKSHMI BETHI'S  
REPLY MEMORANDUM IN AID OF SENTENCING  
AND PATIENT, COLLEAGUE AND FAMILY TESTIMONIALS**

The Defendant Lakshmi Bethi ("Dr. Bethi" or "Defendant"), in accordance with Rule 32(e) of the Local Rules of Criminal Procedure, respectfully submits this reply memorandum in aid of sentencing in connection with the above-captioned matter, along with summarized patient, professional colleague, and family testimonials about the Defendant.

**I. The Court Should Disregard the Government's Disavowal of Stipulated Facts and Insertion of Irrelevant (and disputed) Claims Unrelated to the Offense of Conviction**

Perhaps because the Government recognizes that the relative seriousness of the charged offense, the relevant offense conduct and the actual character of Dr. Bethi is not sufficient to justify a sentence of imprisonment, it has unfortunately, despite stipulating to relevant conduct, resorted to disavowing agreed-upon facts and relying on disputed claims, unrelated to the offense conduct and not contained in the Stipulation or PSR. The Court should simply ignore these representations as they are both disputed and irrelevant and further there is no basis on which the Court may rely on them in this sentencing.

**A. The Government's Disavowal of its Stipulated Loss Estimation is Inappropriate and Factually Misleading**

The Defendant has made several strong arguments that the Guidelines loss calculation, while factually correct and accurate under the Guidelines, overstates the seriousness of the

offense for many reasons. Rather than address any of these strong *arguments*, which it really cannot, the Government beginning at page 2 of its Memorandum in Aid of Sentencing (“Gov. Mem.”), resorts instead to speculating that the *factual* loss estimate, that it stipulated to, is actually too low: “there is a good chance that the loss calculation presented was not just an undercount but a *massive* undercount” Gov. Mem. at 4 (emphasis added). This is improper and contradicts the Stipulation. The Government justifies this by prefacing its argument with: “given the defendant’s arguments that the loss *estimate* was overstated.” Gov. Mem. at 2 (emphasis added). In other words, the apparent logic is: the Defendant has contradicted the Stipulation so we can.

However, undersigned counsel made sure to strictly adhere to the factual stipulation in his Memorandum. The defense argument is that the loss calculation “overstates the *seriousness* of the Defendant’s conduct,<sup>1</sup>” not that the estimate is overstated. There is a diametrical difference: one is a permitted argument that does not dispute the facts but argues that the loss calculation is not reflective of the actual loss; the other would impermissibly contest the facts themselves in contradiction to the Stipulation. The Government, pretextually or inadvertently or simply through misunderstanding, mischaracterizes the Defendant’s argument, seemingly as false justification to allow it to disavow the factual Stipulation. This is an adversarial process, but the Government should not be permitted to stipulate to a loss amount and then contradict the agreement at Sentencing when it feels that Defendant has a strong position to which it has no response.

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<sup>1</sup> “Application of the Guidelines creates a disproportionate effect on the sentence which overstates the seriousness of the Defendant’s conduct and does not fairly punish the Defendant for actual or intended loss.” Defendant’s Memorandum in Aid of Sentencing, at 21.

The Government also makes some factual statements that are misleading in its efforts to disavow its factual stipulation and exaggerate the loss: (1) at Gov. Mem. page 4, it states: the “loss estimate was definitionally limited to patients recruited via kickback by a single recruiting company – ASAPS;” and (2) there were other marketers “some of whom dealt largely in cash.” Gov. Mem. at 3. The implication from both representations being that there are other payments to marketers that were not accounted for in the Stipulation. This is not accurate. Let me be clear: every single payment to every recruiter by Dr. Bethi was included in the Stipulation, including to ASAPS and every other marketer. All the payments were either by check or by electronic transfer and there is a record of each. There were no cash payments by Dr. Bethi. Based on the rough math extrapolating from the recruiter payments, which is the only verifiable information, there is certainly no overstatement of the loss.<sup>2</sup>

Finally, as to loss amount, the Government emphasizes that the conduct occurred over 7 years during which Dr. Bethi billed Medicaid \$2.2 Million for referred patient and characterizes it as a “lucrative” offense. Gov. Mem. at 10. \$2.2 Million over 7 years is \$314,285.71, a year in gross income paid to Dr. Bethi for Medicaid patients that she saw and treated. The expense for running one office, according to financial statements provided to the Government, is \$466,257.72 a year (including payroll, utilities, software, supplies, lab bills, insurance, rent, and other expenses). After then subtracting taxes, which were approximately \$160,000, she is left with a deficit of \$311,972.01 that would need to be made up with the few private insurance or direct pay clients. Indeed, on balance, it was far from lucrative. If anything, it kept a struggling dental practice serving underserved dental patients open and serving their needs. The idea that

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<sup>2</sup> The Government claims at Gov. Mem. page 5 that “In fact, as a general matter, patients recruited via kickbacks to Dr. Bethi’s practice were paid kickbacks for both the initial visit and subsequent visits in later months and years.” If that is true, using the math extrapolating loss from the kickback payments, there would be a the massive overcount, not an undercount, in the guidelines loss amount.

this was somehow lucrative to Dr. Bethi is ludicrous. To the extent Dr. Bethi made any money at all it was through her 6-day-a-week work ethic and sheer determination.

**B. The Government's Memorandum Improperly Inserts the Empty Spectre of Fraud, and Falsely Insinuates Irrelevant Bad Conduct**

Again, rather than address the Defendant's arguments as to why there is no actual loss from the actual offense of conviction, beginning at Gov. Mem. page 6, the Government, instead inserts extraneous, disputed allegations in order to unfairly mischaracterize the defendant and insinuate *malum in se* where we are dealing with offense *malum prohibitum*. The Government writes: "there was evidence that Dr. Bethi fraudulently billed for services not rendered to patients." Gov. Mem. at 11. There is no evidence before the Court that there was any healthcare fraud: there was nothing in the plea agreement, the stipulation of offense conduct signed by the Government or in the PSR (despite the Government's opportunity to submit a statement of relevant conduct). In each of these there is no mention of fraud. As Judge Cogan, in the Eastern District of New York stated in a similar conspiracy to violate the Anti-Kickback Statute case, "the government's 11th-hour contention that there may have been unnecessary services provided as a result of these kickbacks misses the point. Fraudulent provision of services was never part of the charged conduct. Kickbacks were." United States v. Pikus, No. 13 CR. 25 BMC, 2015 WL 3794456, at \*3 (E.D.N.Y. June 17, 2015) (finding there is no actual loss for purposes of restitution). The same is true here.

As the Government knows, we deny completely that there was any healthcare fraud. As the Government also knows, it is our position that the specific issue regarding the trip to India involved an inadvertent billing error by personnel and was followed by attempts to remedy, including Dr. Bethi subsequently recalling each patient who was seen in the office by other personnel while she was gone. This is an isolated incident, an inadvertent mistake, and as the

Government concedes “the Government does not purport to prove systematic health care fraud by Dr. Bethi across the entire relevant time period.” Gov. Mem. at 12, n. 2. That is because there is nothing of substance. The Defendant’s practice was under intense scrutiny for years and this is all they present. As an analogy, if you take the microscope into the most spotless kitchen, you would certainly find bacteria. If it were not there, that would be something very abnormal. The fact of an isolated and *de minimis* billing error does not merit the insinuation that the Government imports. There are multiple and multiple other instances in the record where Dr. Bethi informed the marketers that the Patients that appeared did not need any work done so she was not doing anything. Further there is evidence where Dr. Bethi did not bill for devices that could not be installed because the patient did not return for installation, even though she had already paid for them with her own money. At no time, in any material way, ever, was any work billed that was not done. There is no fraud and there is certainly no actual loss from the offense of conviction.

Similarly, the Government inserts at Gov. Mem. page 10 and 12, three separate times to make sure the Court sees it, the assertion (not referenced in the PSR or Stipulation) that at some point during its investigation, a person informed Dr. Bethi by text that the FBI was contacting employees and Dr. Bethi called the agent and told her not to contact employees and then continued the offense conduct unabated. As the Government knows, the Defendant disputes this assertion. I have personally reviewed all the discovery that I was provided including email and phone records and there is no mention of this. On the date the Government gave me there is no text to Dr. Bethi. No evidence was produced to me that verifies this claim. There is no name to the person that allegedly told the Defendant and there is no record of the call. Dr. Bethi and her husband have no memory of any such call.

I do not have any basis to doubt the agent's claim that someone called the agent, but to the extent it even occurred, it would much more likely the product of a misunderstanding, hearsay, and language issues that led to a misunderstanding on both sides, than a nefarious act attributable to Dr. Bethi. If Dr. Bethi understood she was the subject of a federal investigation she would have immediately contacted her husband first, then together a lawyer. I have known her now for almost two years and I cannot imagine a scenario where she would knowingly confront an FBI agent or continue with conduct that was the subject of a federal investigation. It is just not consistent with her character. This offhand, imprecise, and gratuitous insertion is unproven and irrelevant and extraneous. The Court should not consider it in this sentencing.

Lastly, another example of the Government's efforts to mischaracterize the defendant and improperly sway the Court, is the insinuation that she targeted children in some reprehensible way: "Dr. Bethi preferred to receive minor-aged patients from the recruiters." Gov. Mem at 4. Now, granted, drug dealers, social media companies, and perhaps candy manufacturers who target children and take advantage of their vulnerability would be a bad thing. However, where the "perpetrator" is instead trying to persuade parents to bring children in so she can provide these underserved and underprivileged children with desperately needed and beneficial dental care that will help them live a happier and healthier life, the suggestion of impropriety falls flat with any analysis beyond the facial insinuation. The attempt, though, displays the Government's somewhat desperate attempts to make this case seem more serious than it actually is, and the Defendant appear to be someone she is not. The Court should not be swayed by the mischaracterizations and attempts to exaggerate and aggravate the actual offense and unfairly sully the offender.

The Government can effectively justify and prosecute this case without making Dr. Bethi out to be a bad or immoral woman, she is decidedly not, yet they invariably resort unnecessarily to *ad hominem* attacks to generate grounds for a sentence of incarceration. To present the facts as the Government would appear to want to do, does not inform the Court properly and sufficiently to do its job in rendering sentence based on relevant and reliable information regarding the offense of conviction before it.

## **II. Summarized Patient, Professional Colleague and Family Testimonials about the Defendant<sup>3</sup>**

### **A. Patients**

██████████ of South Windsor, CT, said that she chose Dr. Bethi as her dentist after seeing very positive reviews about her online. She said that she and her whole family went to Dr. Bethi for regular cleanings and other dental work, including root canals, filling cavities, etc. She said that Dr. Bethi was very kind and knowledgeable and she never had any problems with her at all. She said that she was so impressed with Dr. Bethi's level of care that she was willing to drive a long way to her office in New Haven.

████████ said that her and her family's dental work was covered by insurance through Cigna. She said that she also referred other friends and family to Dr. Bethi and was not compensated in any way for those referrals. She said that she and her family stopped going to Dr. Bethi's office after she left the practice.

████████ said she was looking to change dentists, so she did a Google search and came across Dr. Bethi. She said that she wanted the best and Dr. Bethi's reviews were great, so

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<sup>3</sup> Undersigned has found the most efficient way to present character evidence is to summarize for the Court rather than submit numerous and disparately written letters that may contain irrelevant information that may not aid the Court in imposing sentence. Counsel has notes of each interview conducted by himself or his investigator and will provide them on request but represents that the summaries fairly and accurately present the information provided by the witnesses.

she went with her and booked her first appointment. She said that she was very impressed with her work and continued seeing her. She said that she went to Dr. Bethi for regular cleanings as well as cavity fillings and root canals. She said that Dr. Bethi's exams were always thorough, and she took the time to answer any questions that she had, and she was never rushed through a visit.

██████████ said that her insurance, ConnectiCare, covered the dental work done at Dr. Bethi's office. She said that she had such a great experience with Dr. Bethi that she referred other people to her and was never compensated for those referrals.

████████████████████ was interviewed. ██████████'s husband, █████████████████████, was also present during this interview. ██████████ said that she first connected with Dr. Bethi after receiving a flyer that was being passed around by a man and woman on the streets of New Britain. She said that she hadn't been to a dentist in a very long time and had just moved to the area, so she was looking for a good dentist to go to. She said that she saw Dr. Bethi for regular cleanings and her husband also had a root canal, which Dr. Bethi did a great job with.

██████████ said that Dr. Bethi was a very good dentist, and she actually referred other family members to Dr. Bethi but did not receive any compensation for those referrals. She said that all her and her husband's dental work was covered under their state Husky insurance plan.

████████████████████, of Hamden, CT, said that Dr. Bethi was her dentist for a few years and her mother, who also saw Dr. Bethi, referred her to Dr. Bethi. She said that she hadn't seen a dentist in a long time prior to seeing Dr. Bethi and it was strictly through her mother's referral that she went there. She said that her appointments were at the office in New Haven. She said that she would go there for regular cleanings, and she also had a few root canals and some permanent crowns done. She said that the services were paid through her insurance, which was Medicaid/Husky.

XXXX said that Dr. Bethi always provided thorough exams, and she was very happy with level of care that Dr. Bethi gave to her. She said that she recommended Dr. Bethi to her sister, who was looking for a good dentist for her son, and Dr. Bethi accepted her nephew as a new patient. She said that she did not receive any compensation for that referral. XXXX said that she never would have referred Dr. Bethi to her sister if she wasn't happy with the work that Dr. Bethi did for her.

XXXX said that he had been seeing a dentist in New Haven and was concerned that they were charging too much, so he started looking for another dentist who charged less. He said that he saw a sign for Horizon Dental and liked the pricing for the procedure that he needed, so that's why he made his first appointment there. He said that he was just a walk-in patient and was not referred by anyone.

XXXX said that from day one, he felt that he received excellent dental care from Dr. Bethi. As an example of this, XXXX said that he had had a broken tooth, which needed to be extracted, and Dr. Bethi began pulling the tooth out. He said that Dr. Bethi then stopped and checked on him and he told her that it was okay for her to continue, but she had, in fact, already pulled the tooth out and he never felt a thing. It was for reasons like this that he felt Dr. Bethi was a skilled dentist, and he continued going to her. He said he felt that her exams were very thorough, and she used a computerized x-ray system, which aided her further in providing excellent care. XXXX said that not only was Dr. Bethi a good dentist, but she was also a very good person.

XXXX said that most of the time, his dental work was paid through insurance, but he did pay cash on occasion when certain procedures or part of certain procedures weren't covered by insurance. XXXX said that he referred a few other people to Dr. Bethi but did not receive any

compensation for it. He said that when he found out Dr. Bethi was gone from the practice, he continued to go there but was not as pleased with his new dental care as he was when Dr. Bethi was working there.

████████████████████ stated he had a sensitivity in his tooth and was told about Dr. Bethi's office. He needed a tooth pulled and Dr. Bethi did it. She was amazing and did an excellent job. He was in severe pain before and had no pain after. He would definitely go back to her. He recommended one of his friends to her. He paid directly for the procedure. He stated that he does not want to use any other dentist.

#### **B. Professional Colleagues**

████████████ is a dental assistant and worked under Dr. Bethi from 2012 through 2017 and continued to fill in from time to time. She has been a dental assistant for 13 years. She has worked under approximately 20 dentists. She stated Dr. Bethi is great with patients, explains the procedure, asks about concerns. Dr. Bethi has been a great doctor who is conscientious, patient and never got upset. She only saw her do what was necessary and she never did any unnecessary procedures. She never saw Dr. Bethi do anything that did not need to be done. Dr. Bethi let her share her opinion and listened. She was well trained to know when patients needed something done. She was honest and straight with people and honest with her employees.

████████████ stated that at the New Haven office location, the patients had a lot of problems. Their teeth were rotten and most of the time needed a lot of work. They did not take care of their teeth. The patients she saw there benefited from coming to the dentist. She stated that Dr. Bethi helped people and was very conscientious. She stated Dr. Bethi is a good dentist and really skilled at fillings, extractions and root canals. █████ never had any concerns about her work. She stated that as a boss, she would always work for Dr. Bethi.

[REDACTED] is a General Dentist who owns and runs [REDACTED] with practices in North Haven, Wallingford and Cromwell. Dr. Bethi is currently working for her three days a week. She performs all manner of dental procedures. She has observed Dr. Bethi's work, and her work is good. She stated it is very difficult to find dentists that "have good hands" and that work hard. She is glad for Dr. Bethi's experience. Dr. Bethi arrives on time and works hard and knows what she is doing.

████████ stated there is a dentist shortage and that if Dr. Bethi's case does not work out, the State is losing a good dentist. She stated, "no one is taking state insurance anymore." She stated very few general dentists do root canals. She stated that very few endodontists like Dr. Bethi take state insurance. Dr. Bethi is an excellent endodontist and very good at surgery also.

██████████ is a dentist who practices in West Hartford at ██████████. Dr. Bethi worked for her 2 -3 days a week in 2017/2018. Dr. Bethi was trained in endodontics and a good dentist and there were no complaints about her work. Dr. Bethi worked somewhere else in the morning and then worked for her in the afternoon. She was a hard worker. She performed extractions and root canals. She had no concerns about her dentistry. She described Dr. Bethi as reliable, hardworking and enthusiastic. Dr. Bethi was a striver, trying to expand her business. She recalls Dr. Bethi working to learn how to do implants. She was very good with root canals.

██████████ is a dentist who practices in Westfield, MA at ██████████. ██████████. She has known Dr. Bethi since 2003 when she met her at dental school in India. Dr. Bethi was in the endodontic resident program, into which only two or three students are selected a year. It is hard to get into and very selective. Dr. Bethi was a very good student. She was an honest and ethical student. ██████████ got to know Dr. Bethi really well – everybody liked her in

school. [REDACTED] entered dental school in the United States before Dr. Bethi, graduating in 2010. She noted that it is very hard to come from India and make a career here as a dentist. Dr. Bethi keeps up to date with practice and technology and takes works seriously, working Saturdays. Dr. Bethi is a person with a helpful nature and if [REDACTED] needed help, she would call Dr. Bethi.

[REDACTED] is a dentist practicing in Texas. She attended Boston University School of Dental Medicine's program for internationally educated dental graduates with Dr. Bethi. They were on the same team and often worked together. Dr. Bethi was a workaholic and was the first to finish work. She was always on schedule. Dr. Bethi was a good, ethical and responsible person. Dr. Bethi seemed like she was always in the lab.

### C. Family

Dr. Bethi's sister, [REDACTED] is a bariatric surgeon in Sacramento, CA. She practices there with her husband, [REDACTED] (whose interview is below). She stated that she and her mother and sisters are a close-knit family. Dr. Bethi is honest, kind and generous. She is kind to people and caring -- she feels for them. When [REDACTED]'s daughter died suddenly at age 22, eight years ago, Dr. Bethi, who was already practicing, visited them multiple times, flying back and forth to California on weekends to be with them and support them. She collects funds and donates to the charity they set up to honor their daughter (which provides shelter and food for homeless). Dr. Bethi also paid tuition for their nephew to attend college in Virginia. Dr. Bethi is self-motivated and has goals and aims. She works 6 days a week and works super hard. Dr. Bethi and her husband are quite religious and Dr. Bethi talks to her mother regularly. Dr. Bethi's troubles have been shocking and devastating to the family. It is hard for them to understand it – it does not fit and is “out of picture” to even think about it. It is very hard to watch her sister suffer like she is.

██████████ (Dr. Bethi's brother-in-law) added that Dr. Bethi underwent brain surgery in 2016 to remove a meningioma (a kind of tumor). He stated that as a result of that surgery, Dr. Bethi experienced an increased sense of her own mortality and felt like she was running out of time to be successful. He noted that she got a relative late start as a working physician because her first arranged marriage did not work out because they were incompatible. This resulted in a long delay before her second arranged marriage at age 32, at which time she could come to the United States and obtain her American dental degree and begin working. █████

██████████ stated several times that Dr. Bethi is incredibly hardworking. He also stated she is honest and not deceptive. He stated that Dr. Bethi's life has been "upside down" since she learned of the investigation, and she has suffered incredibly.

Dr. Bethi's husband, █████, will address the Court at sentencing.

### III. Conclusion

For all the foregoing reasons, the Defendant respectfully requests that the Court, after consideration of all the factors in 18 U.S.C. § 3553(a), sentence the defendant to probation.

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