

September 29, 2026

THIS LETTER SENT VIA EMAIL

Richard Callery
President, CA Dental Operations
DentaQuest dba California Dental Network
23291 Mill Creek Dr., Ste. 100
Laguna Hills, CA 92653

**WARNING LETTER AND DEMAND FOR CORRECTIVE ACTION PLAN (CAP):
DENTAQUEST DATA BREACH**

Dear Mr. Callery,

The Department of Health Care Services (DHCS) is hereby providing California Dental Network (CDN) dba DentaQuest (DQ), this Warning Letter (WL) due to a DQ cybersecurity incident that was reported to DHCS on May 21, 2026.

Pursuant to the Medi-Cal Dental Managed Care (Dental MC) Contract¹ and All Plan Letter (APL) 22-009², DHCS hereby requires a Corrective Action Plan (CAP) at the time of the Final Report. This CAP must include a remediation plan to protect all impacted individuals.

Please note, if CDN is unable to correct the noted deficiencies and/or complete their CAP within six (6) months of the date of this notice, DHCS may exercise its right to pursue Liquidated Damages and/or Sanctions pursuant to the Dental MC Contract and APL 22-009.

¹ The Dental MC Boilerplate Contract can be found here: <https://www.dhcs.ca.gov/wp-content/uploads/2025/10/Medi-Cal-Dental-Managed-Care-Plans-Boilerplate-Contract.pdf>

² APL 22-009 Enforcement Actions: Administrative and Monetary Sanctions can be found here: <https://www.dhcs.ca.gov/wp-content/uploads/2025/10/APL-22-009-1.pdf>

I. Background

On May 21, 2026, CDN notified DHCS via email that they became aware of a DQ cybersecurity incident on May 20, 2026. On May 22, 2026, CDN submitted an initial Privacy Incident Report (PIR) to DHCS, and subsequently added additional information to the PIR. DQ met virtually with DHCS on June 2, 2026 and June 15, 2026, and weekly thereafter until August 24, 2026 to discuss ongoing updates.

On June 8, 2026, CDN notified DHCS that DQ updated their website with a banner notification of the cybersecurity incident. On June 15, 2026, CDN notified DHCS that the CDN landing page was also updated with a banner notification regarding the DQ cybersecurity incident. On July 27, 2026, DQ started mailing out notifications to affected individuals.

II. Resultant Action

DHCS is hereby providing this Warning Letter and hereby demands a CAP submitted at the time of the Final Report regarding remediation to ensure compliance to make all affected members whole.

On the enclosed CAP Response Form, please complete the CAP Response Form and submit supporting documentation organized in separate electronic folders that are clearly labeled by corresponding findings. The CAP Response Form must be signed by the CDN's Compliance Officer. The CAP Response Form and corresponding supporting documentation should be submitted to DHCS at dmcdeliverables@dhcs.ca.gov.

If you have any questions regarding this notice, please contact DHCS.

Sincerely,

Original signed by:

Dana Durham
Chief, Medi-Cal Dental Services Division
Department of Health Care Services

Enclosure: CAP Response Form