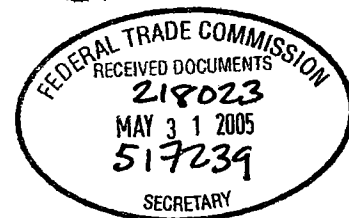


**DACITE, INC.**  
**106 Sweetbriar Lane**  
**Louisville, KY 40207**

(502) 899-7339  
(502) 767-6901 *mobile*

[daciteinc@aol.com](mailto:daciteinc@aol.com)  
(502) 899-7255 *facsimile*



Donald S. Clark  
Office of the Secretary  
U.S. Federal Trade Commission  
601 New Jersey Avenue, N.W.  
Washington, DC 20001

May 10, 2005

Re: *In the Matter of* White Sands Health Care System, L.L.C., Alamogordo  
Physicians Cooperative, Inc., Dacite, Inc., and James R. Laurenza  
Docket No. C-4130

Dear Mr. Clark:

Please accept for filing this letter as a Petition to Reopen and Modify Order of White Sands Health Care System, L.L.C., Alamogordo Physician Cooperative, Inc., Dacite, Inc., and James R. Laurenza, in connection with the above-referenced docket. Recent business changes in the relationship between Dacite, Inc. and White Sands Health Care System, L.L.C. that involves the severance of services provided to White Sands Health Care System, L.L.C. by Respondent Dacite, Inc. and Laurenza impact the content of the Complaint and Order referenced above. These changes in the business relationships make it impossible for Dacite, Inc. or myself to support requirements in the Complaint and Order. This request is made pursuant to Section 2.51 of the Commission's Rules, 16 C.F.R..

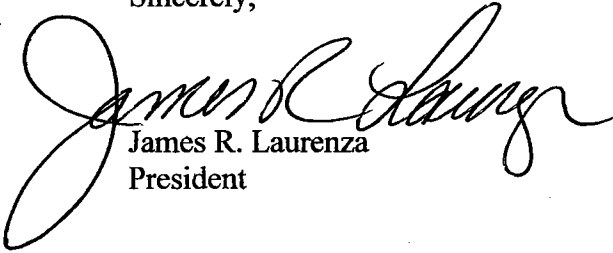
It is my desire to petition the Commissioner to reopen and modify the offer to eliminate Paragraph VII. A business relationship with White Sands Health Care System no longer exists. Dacite, Inc. and Laurenza have never had a contractual business relationship with the Respondent Alamogordo Physician Cooperative. In the event that these organizations were to defy the order, Respondent Dacite, Inc. and Laurenza would have no knowledge of this breach and therefore would not be able to comply with the intent of the Complaint and Order as outlined in Paragraph VII. Pursuant to 16 C.F.R. section 4.2(c)(3), an electronic copy of the filing is being submitted to you by e-mail.

For the foregoing reasons, the Commission should grant this Petition to Reopen and Modify the Order.

If there are any questions concerning this Petition to Reopen, please do not hesitate to contact me.

I affirm that the foregoing facts are true.

Sincerely,

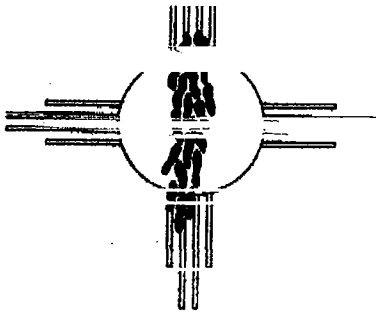
A handwritten signature in black ink, appearing to read "James R. Laurenza". The signature is fluid and cursive, with a large initial "J" and "L".

James R. Laurenza  
President

2 attachments:

WSHCS letter to James R. Laurenza of 25 February 2005;

WSHCS letter to Anne Schenof of 21 March 2005



# White Sands Health Care System

P.O. Box 309 • Alamogordo, NM 88311 • (505) 437-9004

March 21, 2005

VIA FEDERAL EXPRESS

Ms. Anne Schenof  
U.S. Federal Trade Commission  
601 New Jersey Avenue, N.W.  
Room 7264  
Washington, DC 20001

Re: *In the Matter of White Sands Health Care System, L.L.C., Alamogordo Physicians Cooperative, Inc., Dacite, Inc., and James R. Laurenza*  
FTC File No. 0310135

Dear Ms. Schenof:

I am writing this letter on behalf of White Sands Health Care System, L.L.C. ("White Sands"), James R. Laurenza, and Dacite, Inc. We thought it was appropriate to notify the FTC that White Sands will terminate its relationship with Dacite, Inc. and James Laurenza effective March 31, 2005. Enclosed is a copy of the letter that White Sands sent to Mr. Laurenza on February 25, 2005 which provided written notification of the Board of Managers' decision not to renew his contract for consulting services. The letter outlines that Mr. Laurenza is no longer authorized to act on behalf of White Sands, except with specific direction by White Sands.

Please let us know if the change in status of the relationship between White Sands and Dacite, Inc. will affect the compliance or reporting obligations placed upon the parties by the Consent Order. If you need additional information or have any questions, please do not hesitate to contact me. Thank you for all your assistance in this matter.

Sincerely,

Rhonda S. Cross  
Director of Client Services

Enclosure

cc: Jim Laurenza  
Timothy Frost, MD  
Jennifer Pritzker Sender, Esq.

Atlanta 87645.1



# White Sands Health Care

P.O. Box 309 • Alamogordo, NM 88311 • (505) 437-9004

February 25, 2005

## VIA FACSIMILE AND CERTIFIED MAIL

James R. Laurenza  
Dacite, Inc.  
106 Sweetbriar Lane  
Louisville, KY 40207

Dear Jim,

This letter is to inform you that the Board voted not to renew Dacite, Inc.'s ("Dacite") professional services agreement (the "Agreement") with White Sands Health Care System, LLC ("White Sands") for consulting services. The Agreement, which began on April 1, 2002, will terminate on March 31, 2005. As of March 31, 2005, you will no longer serve as a consultant in any capacity for White Sands.

White Sands will continue to pay Dacite its regular consulting fees and the per member per month ("PMPM") fees as outlined in Section 2(ii) of Amendment One of the Agreement until March 31, 2005. As of March 31, 2005, all payments to Dacite from White Sands will cease.

Effective the date of this letter, you are no longer authorized to act in any capacity for White Sands, except with our specific direction. We appreciate your immediate compliance with this request. Additionally, please return any and all White Sands files that you have in your possession at White Sands' expense to the care of Ms. Cross before March 31, 2005.

Thank you for your service to White Sands. Please feel free to contact me with any questions.

Sincerely,

Timothy Frost, MD  
President,  
White Sands Board of Managers

