

# EXHIBIT C

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CMS Pub. 15 Ref: Section 2304

Firm Reimbursement Summary

**TOTAL REIMBURSEMENT EFFECT OF AMOUNTS IN  
CONTROVERSY FOR PENSION PLAN EXPENSE  
CIRP GROUP APPEAL**

**PRRB 07-2186G**

|                  |               |
|------------------|---------------|
| 193,979          | Texas 1998    |
| 250,627          | Oklahoma 1998 |
| 73,895           | Texas 1999    |
| 243,883          | Oklahoma 1999 |
| 42,710           | Texas 2000    |
| 74,268           | Oklahoma 2000 |
| <u>3,693</u>     | Texas 2001    |
| <b>\$883,055</b> |               |

The Board may wish to refer to Provider Exhibit P-1 showing how the above calculations were determined for each Provider cost year and the Audit Adjustments referenced above.

**C. ARGUMENT.**

The FI's adjustments which are the subject of this CIRP appeal are the 100% disallowance of all employer 401(k) pension plan contributions and all pension administrative expenses of the Providers and their home office for the years from 1998 through the end of the Medicare home health cost reimbursement system in October 2000, which accordingly ran through and effected the month of September, 2000 for the Texas Provider's FYE 8/31/2001. As its explanation for such adjustments, the FI cited the general provisions of HIM-15, Part I, Section 2304, which addresses the "Adequacy of Cost Information" (Appendix A-1). The Providers have supplied adequate documentation supporting that all employer/Provider pension contributions were actually made as claimed, and that associated pension plan administrative expenses, in turn, were incurred and paid. Accordingly, if the FI's disallowance was in fact based upon the adequacy of the documentation demonstrating that claimed costs were incurred and paid, it's rejection of the Providers' evidence that costs were incurred and paid is unreasonable (for example, where bank statements and invoices of costs show that contributions were made and cost invoices were paid, a disallowance of all costs based upon the FIs insistence upon seeing each cancelled check would be unreasonable).