

August 31, 2026

Mr. Carson VanZant
Chairperson of the Board
Mangum Regional Medical Center
1 Wickersham Dr.
Mangum, OK 73554

Dennis Boyd, CPA, CFO
Cohesive Healthcare Management and Consulting
2510 E. Independence, Suite 100
Shawnee, OK 74804

Dear Mr. VanZant:

PYA, P.C. (PYA) is pleased to submit this engagement letter (Engagement Letter) to Cohesive Healthcare Management and Consulting (CHMC), specifically related to Medicare Cost Report preparation (Services) for Mangum City Hospital Authority (MCHA) (PYA, CHMC and MCHA collectively are the Parties or singularly the Party). We appreciate the opportunity to serve CHMC and MCHA again this year with their cost reporting needs.

OUR APPROACH TO SERVING YOU

STEP 1: DATA ACCESS AND REPRESENTATION

To initiate the project, we will meet with CHMC and MCHA to finalize the specific scope and establish information and communication protocols. Specific action items include, but are not limited to:

- Establish secure protocol for transfer of requested information in both directions.
- Obtain “access” to download PS&R information and upload completed costs reports in Medicare Cost Report e-Filing system (MCR eF) system.
- Obtain the prior year workpapers from CHMC and MCHA (preferably in Excel format).
- Develop current year information requests based on workpaper review.
- Validate current year information for cost reporting sufficiency as the basis for completing a compliant cost report for electronic submission to the Medicare Administrative Contractor (MAC).

STEP 2: COMPARATIVE ANALYSIS

We will use comparative analysis and other tools to complete the current year cost reports. PYA will also identify and discuss any key reimbursement issues impacting the current year cost report with CHMC and MCHA's personnel. PYA will not and is not expected to perform detailed or analytical procedures necessary to verify information derived from source documents such as the general ledger, statistical summaries, or PS&R reports to ensure compliance or accuracy of individual accounting or billing transactions.

PYA will perform high-level analytics on key reimbursement drivers, including:

- Prior audit adjustments and identified non-allowable costs for impact on current year reporting and results.
- Settlement data characteristics, including charge matching and payment reconciliations.

STEP 3: DELIVERABLES AND TIMELINE

From the information provided by CHMC and MCHA, PYA will prepare automated CMS Forms 2552-10 and a comprehensive set of workpapers supporting amounts included in the filed cost reports (Deliverables). After discussion with CHMC and MCHA management and internal cost report acceptance, final Deliverables will include ECR files and electronic copies of the Medicare cost report. MCHA operates on a fiscal year (FY) ending December 31st, and the report will be due to Medicare on the last day of the fifth month following the close of the provider's fiscal year.

PROJECT TEAM

PYA will assign an experienced, dedicated team to serve MCHA and CHMC.



Lori Foley, CMA, CHC®, PHR, SHRM-CP – Managing Principal – Revenue & Compliance Advisory

Lori leads PYA's national consulting services as well as the Revenue & Compliance Advisory Program. She combines eight years of industry experience in managing multiple hospital-owned practices with over two decades experience in advising physicians and hospitals in the areas of compliance, compensation, strategic planning, operational and financial improvement, and affiliation structures. Lori works closely with attorneys to assist clients with complex compliance matters including meeting obligations outlined in corporate integrity agreements, applying Medicare and Medicaid regulatory requirements to audit and potential overpayment situations, assisting with self-disclosure reporting including statistically valid sampling protocols and extrapolations, and providing pre-transaction compliance and operational due diligence.



Ramzi Fadayeel, CHCRS – Senior Manager, Revenue & Compliance Advisory

Ramzi has over a decade of experience in healthcare reimbursement consulting, specializing in Medicare cost reporting, regulatory compliance, Medicare DSH reimbursement, indirect medical education/graduate medical education reimbursement, and hospital financial data analysis. A Certified Hospital Cost Report Specialist, he has a proven track record of providing strategic insight and operational expertise to help clients achieve optimal reimbursement. Ramzi helps clients navigate complex healthcare revenue and compliance issues with accuracy and efficiency, ensuring each milestone is met.



Andrew K. Dutton, BS – Staff Consultant – Revenue & Compliance Advisory

Andrew has over two years' experience preparing Medicare cost reports for a variety of healthcare entity types, including acute care hospitals, critical access hospitals, and rural health clinics. He is also experienced in related hospital financial data analysis and data validation. He partners with hospital clients to manage reimbursement filings and maintain compliance with Medicare, Medicaid, and state reporting requirements. Andrew is known for strong collaboration, analytical problem solving, and strategic thinking.

PROPOSED FEES

PYA appreciates the opportunity to continue our collaborative relationship with MCHA and CHMC related to these services. We are confident that you will continue to experience value through this partnership.

Following are PYA's fees for these services:

Service	Estimated Fees
FY 2026 Interim Rate Review	\$5,000
FY 2026 Medicare Cost Report	\$25,250
FY 2027 Interim Rate Review	\$5,750
FY 2027 Medicare Cost Report	\$26,000

The fees and terms reflected in this Engagement Letter are based on the premise that all information and analysis requested from CHMC and MCHA will be completed and available in a timely manner. We will be relying upon CHMC and MCHA personnel to provide the supporting data and workpapers used in this engagement. Additionally, if analytical or informational schedules requested by PYA from CHMC and MCHA's financial staff are not complete or available in a timely manner, thus inadvertently expanding the scope of PYA's responsibilities, our fees may be increased to reflect the additional time associated with completing these tasks.

Fees for additional services requested by CHMC or MCHA that are not listed in the table above (such as, but not limited to, Medicare Administrative Contractor (MAC) reviews or audits) will be based on the then-current standard hourly rates of the healthcare professionals performing the Services. Should the scope of our Services change or be expanded during the course of this engagement, we will contact the designated representative to discuss the nature of the change of Services, the potential impact on professional fees, and to seek appropriate authorization before proceeding.

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To maximize value for each client, PYA reviews the technology and resources needed for each engagement. This allows PYA to provide professional services at rates that are not artificially inflated by the high, and rising, costs of technology, information security, and other resource needs. Typically, these fees range from 4% to 9% of the project's professional fee budget. After assessing the scope of the services to be provided, a 5% administrative fee will be added to the professional fees quoted above. This fee will be billed monthly or at key project milestones based on invoiced professional fees.

CONCLUSION

We look forward to assisting CHMC and MCHA with these important initiatives. If you agree with the terms set forth in this Engagement Letter, accompanying General Business Terms, and referenced Business Associate Agreement (collectively, the Agreement), please indicate your acknowledgement by signing and returning an executed copy of this Engagement Letter. If you have any questions or require additional information, please contact Ramzi Fadayel at rfadayel@pyapc.com or at (865) 474-7363.

Respectfully,

PYA, P.C.

PYA, P.C.

Sent via email only: dboyd@chmcok.com

ACKNOWLEDGED AND ACCEPTED:

Cohesive Healthcare Management & Consulting, LLC

By: _____ Title: _____
(Signature) (Please Print)

Name: _____ Date: _____
(Please Print)

ACKNOWLEDGED AND ACCEPTED:

Mangum Regional Medical Center

By: _____ Title: _____
(Signature) (Please Print)

Name: _____ Date: _____
(Please Print)



GENERAL BUSINESS TERMS

ENTIRE AGREEMENT; AMENDMENT. The Engagement Letter, the General Business Terms, and Business Associate Agreement between the Parties constitute the entire agreement between the Parties with respect to the subject matter and supersede any prior agreements or communications between the Parties, whether written or oral, relating to the subject matter. This Agreement may only be amended or modified if in writing and signed by a duly authorized representative of each Party.

TERM; TERMINATION. This Agreement shall be effective upon signing by all Parties and shall terminate upon completion of the Services. Either Party may terminate this Agreement for any reason upon thirty (30) days written notice to the other Party.

In the event of CHMC and MCHA's failure to pay fees in violation of this Agreement, PYA shall also have the right to immediately terminate this Agreement or suspend performance of Services without any liability until PYA receives payment in full. In such cases, CHMC and MCHA assume all risk associated with its failure to meet any deadlines.

MANAGEMENT RESPONSIBILITY. CHMC and MCHA understand that PYA will not be making any management decisions or performing in a management role. CHMC and MCHA is solely responsible for management decisions and functions; for designating an individual with suitable skill, knowledge, or experience to oversee the Services PYA provides, and for evaluating the adequacy of those Services. CHMC and MCHA acknowledges and agrees that all Services provided by PYA pursuant to this Agreement shall consist solely of assistance, recommendations, suggestions, and input presented to CHMC and MCHA for and subject to CHMC and MCHA's sole consideration, review, approval, and implementation.

FEES AND EXPENSES. PYA's fees and expenses, as outlined in the Engagement Letter, will be invoiced and billed to CHMC and MCHA on a monthly basis or at key project milestones and are due upon receipt of the invoice. If any portion of this engagement carries over to a subsequent calendar year, PYA's standard professional billing rates in effect in that calendar year will apply. PYA reserves the right to require prepayment of fees by CHMC and MCHA in the event of CHMC and MCHA's failure to pay fees and expenses as outlined in this Agreement. Fees for any additional services that may be required on CHMC and MCHA's behalf such as consulting services, meeting with or responding to third parties, responding to a subpoena, or explaining PYA's Deliverable to any regulatory body or in any investigation to a judge, jury, or any other trier of fact as convened in any judicial matter will be billed in addition to the professional fees outlined in this Agreement and at PYA's then standard professional billing rates. All outstanding invoices must be paid prior to the release of any Deliverables specified in the Agreement.

If, for any reason, this Agreement is terminated prior to its completion, then PYA's fees shall be the amount of time incurred as of the date of termination at PYA's normal professional billing rates, plus any out-of-pocket expenses incurred as of that date. For balances more than 30 days past due, PYA may charge you, and you agree to pay, a late charge of the balance's interest equal to the lesser of 1% per month or the maximum amount allowed by law as of the effective date of the engagement.



LIMITATIONS. The Parties acknowledge and agree that any and all Deliverable(s) are for the sole use and benefit of the Parties pursuant to the terms of this Agreement and shall not and should not be used, published, disclosed to, shared with, or relied upon by any other party, person, entity, or governmental authority, or used for any other purpose, without PYA's prior express written consent. In the event PYA provides prior express written consent for the disclosure of any and all of its Deliverable(s), PYA reserves the right to place specific limitations and conditions related to any such disclosure or to revise, amend, or modify any Deliverable consistent with the Parties' intended disclosure to any third-party, person, entity, or governmental authority. PYA shall not have or assume any responsibility to any other parties, persons, entities, or governmental authority, and PYA shall have no liability or responsibility with respect to PYA's Deliverable or for any unauthorized use of its Deliverable.

LIMITATIONS ON ORAL AND E-MAIL COMMUNICATIONS AND DRAFT DELIVERABLES. PYA may discuss with CHMC and MCHA PYA's views regarding the treatment of certain items or decisions CHMC and MCHA may encounter. PYA may also provide CHMC and MCHA with information in an e-mail, including draft Deliverables. Any advice or information delivered orally or in an e-mail (except for final Deliverables), will be based upon limited research and a limited discussion and analysis of the underlying facts. Additional research or a more complete review of the facts may affect PYA's analysis and conclusions. CHMC and MCHA accept all responsibility, except to the extent caused by PYA's gross negligence or willful misconduct, for any liability resulting from CHMC and MCHA's decision to rely upon any oral or e-mail communication or draft Deliverables.

LIMITATION OF LIABILITY; INDEMNIFICATION. Except to the extent adjudicated to have resulted from PYA's fraudulent or willful misconduct, the maximum aggregate liability of PYA and its shareholders, employees, and contractors to CHMC and MCHA for any reason relating to the Services under this Agreement shall be limited to the fees paid to PYA for the Services giving rise to liability.

To the maximum extent permitted by applicable law, CHMC and MCHA will indemnify, defend, and hold harmless PYA and its shareholders, employees, and contractors from and against any and all claims, demands, causes of action, suits, investigations, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys' fees and alternative dispute resolution costs) asserted by any third-party or governmental entity related to or arising out of any and all Services under this Agreement.

In no event shall PYA be liable for consequential, special, incidental, indirect, exemplary, or punitive loss, damage, or expenses even if PYA has been advised of the possibility of such damages.

DISCLAIMER OF LEGAL ADVICE. PYA's Services under the Agreement do not constitute legal advice, and CHMC and MCHA agrees to not rely on PYA for any legal advice.



GOVERNING LAW; DISPUTE RESOLUTION. This Agreement and any and all claims, disputes or other matters in question between the Parties arising out of or relating to the Services or this Agreement, shall be governed by the laws of the State of Tennessee without regard to its conflict of laws provision. Any action filed by PYA to collect unpaid fees and expenses shall be filed in the state courts of competent jurisdiction in Tennessee, in which case PYA shall be entitled to recover its reasonable attorneys' fees, costs, and expenses. The Parties agree that any other controversy or claim arising out of or relating to the Services or this Agreement shall be submitted first to mediation in Tennessee, and if mediation is not successful or either Party fails to participate in mediation, then to binding arbitration in Tennessee. Judgment on any arbitration award may be entered in any court having proper jurisdiction.

TIMING FOR DISPUTES. CHMC and MCHA agree that any claim by CHMC and MCHA arising out of this Agreement shall be commenced within one (1) year from the date of completion of any Services provided for under this Agreement regardless of any longer period of time for commencing such claim as may be set by law. Notwithstanding the foregoing, PYA may file a civil action to collect any of its past due invoices and expenses at any time within the statutory period of time provided for commencing such action, and the applicable savings statute shall also apply to such action when applicable.

BUSINESS ASSOCIATE AGREEMENT. In conjunction with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), PYA requires a signed business associate agreement (BAA) prior to the receipt of any protected health information (PHI). For this purpose, PHI has the meaning set forth in HIPAA, the American Recovery and Reinvestment Act of 2009, and their implementing regulations set forth at 45 C.F.R. Parts 160 and 164. PYA has a fully executed BAA with CHMC on file, dated September 15, 2025.

ASSIGNMENT. This Agreement may not be assigned, in whole or in part, without the prior written consent of each Party.

WAIVER. The failure of any Party to enforce any provision of this Agreement shall not be construed as a waiver or modification of such provision, or impairment of its right to enforce such provision of this Agreement.

SEVERABILITY. In the event any part or parts of the Agreement are held to be unenforceable, the remainder of the Agreement will continue in full force and effect.

SURVIVAL. Following the termination of this Agreement, any and all provisions set forth herein which, by their very nature, are intended to survive any expiration or termination hereof, shall so survive, including without limitation, the provisions respecting indemnification, limitations on liability, and accrued payment obligations.



NOTICES. Any notice or demand to be given or delivered to any Party pursuant to this Agreement shall be given in writing and mailed by certified mail, return receipt requested, postage fully prepaid to the authorized representative for each Party as listed below, and shall be effective on the date of receipt.

If to PYA:

PYA, P.C.
6016 Brookvale Lane
Knoxville, TN 37919
Attention: Nina M. Eiler with a copy to PYA Legal

If to CHMC and MCHA: To the individual(s) identified in the Engagement Letter.

RECORD RETENTION. Except as may otherwise be agreed to in writing by PYA and CHMC and MCHA, PYA shall use reasonable commercial efforts to preserve all information pertaining to the Services in accordance with PYA's internal Record Retention Policy and any applicable legal and regulatory requirements. In no event is PYA responsible for retaining or storing any documents, reports, e-mails, electronic files, or other materials related to this Agreement on behalf of CHMC and MCHA. If CHMC and MCHA require PYA to delete CHMC and MCHA's information pertaining to the Services upon the completion of such Services, CHMC and MCHA agree to provide PYA the same information, within fifteen (15) days of PYA's request, if needed for PYA to comply with legal or regulatory obligations.

PORTALS. To facilitate PYA's Services to CHMC and MCHA, the Parties may utilize a mutually agreed upon secure data access and transmission portal(s) which will allow the Parties to share information, documents, and Deliverables (collectively, "Portals"). Neither Party is responsible or liable for the functionality, security, or availability of such Portals. Neither Party shall be held liable for any loss, corruption, unauthorized access, or misuse of data resulting from the other Party's use or failure to properly use the Portals.

THIRD-PARTY SERVICE PROVIDERS; ARTIFICIAL INTELLIGENCE. PYA may use third-party service providers and commercially available artificial intelligence, or software tools, some of which may utilize or offer artificial intelligence capabilities (collectively, Third-Party Applications), to assist PYA where necessary to help provide Services to CHMC and MCHA. CHMC and MCHA consent to PYA's use of Third-Party Applications, including PYA's use of CHMC and MCHA's information in such Third-Party Applications. PYA will use reasonable care in the use of Third-Party Applications in providing its Services, and the Services and Deliverable will be subjected to PYA's customary quality procedures. PYA is not responsible or liable for the functionality, security, or accuracy of such Third-Party Applications. PYA shall not be held liable for any loss, corruption, unauthorized access, misuse of data, or inaccurate data resulting from its use or failure to properly use Third-Party Applications.