

- A. ARCs must establish a program with guidelines to control claim adjustment expenses.
- B. ARCs must establish guidelines to control legal defense costs:
 - 1. Evaluation, case strategy, and legal action plan shall be documented.
 - 2. Legal bills shall be reviewed for accuracy and reasonableness.
 - 3. ARCs shall have an Alternative Dispute Resolution Program.
- C. ARCs must establish a program to review vendor bills for accuracy, and deduct for unauthorized services.
- D. ARCs must report allocated expenses properly as defined in the Statistical Plan and Manual of Administrative Procedures. Extra contractual expenses and unallocated expenses shall not be reported as allocated expenses.