

Erik Taylor
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David Feldman

Summary of Experience

Over 20 years of experience in the managed health care data analysis field with emphasis on:

- Value Statements and Reporting
- Balanced Scorecards and Operational Measurement
- Product and Vendor Evaluations
- Product Development, PPO Contracting Strategies/Methods
- Statistical Analysis, Data Warehousing and Programming

Experience

The Taylor Feldman Group, LLC Sacramento, CA

Partner. 2005 – present

Founded the two person consulting firm in 2005 with the mission to help clients think quantitatively and rigorously about business issues in the managed health care field.

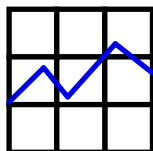
First Health, Sacramento, CA

Director, Metrics Department 2000 to 2005

Managed 35-person department and worked directly with CEO and executive team providing analysis, strategic planning and decision support services.

Financial Guarantees. Built models based on analysis of claims data to understand likely revenue implications of various guarantee arrangements. Use of these models during contract negotiations helped secure business worth hundreds of millions of dollars.

Mail Handlers Benefit Plan Executive Team. Participated on team and provided analytic support for a federal employee health benefit plan with approximately 750,000 covered lives. Designed and evaluated financial performance and pricing of traditional



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and consumer-directed benefit plans. Targeted marketing efforts by developing a predictive model using ETG/ERG software. Provided regular revenue forecasts for this business.

Multi-Tiered Hospital Network. Developed and implemented a methodology for selecting cost-effective hospitals nationwide. The methodology included adjustments for case-mix, outliers, hospital type, and geography. Further refinements were made to include qualitative factors such as system participation and subjective quality information. Also participated on an executive product development team to identify and contract with cardiac systems of excellence in key markets.

Network Evaluation. Led a multi-departmental team in the evaluation of First Health's national outpatient care network. Developed models to benchmark reimbursement against national and regional references. Designed methodology for rescaling fee schedules to more closely mimic Medicare reimbursement. Based on the results of this analysis, reimbursement was lowered for more than 200,000 providers nationally.

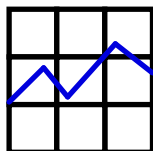
Data Warehousing And Reporting Strategy. Led the company's data warehousing and reporting efforts. Developed and articulated the strategy for pursuing claims warehousing and web-based electronic reporting. Worked with the information systems department on design goals and data structures for SAS and Oracle based data warehouses.

Clinical Management Evaluation. Led a multi-disciplinary team in evaluating the company's clinical management offering. The focus was on identifying specific interventions and possible causal pathways toward improved cost and clinical outcomes. The results of this analysis led to the reorganization of the clinical management department with an increased focus on achieving measurable program impact.

Underwriting Support. Provided analytic and actuarial services for the underwriting department. Projects included development of claims lag factors, medical and pharmacy cost curves, performance guarantee reporting, benefit pricing and sensitivity analyses.

Medical Trend Tracking and Forecasting. Selected and cleaned 4 years of claims and eligibility data. Forecasted future trend with a variety of statistical methods. Presented methods and results to top management for use in underwriting models and financial forecasts.

Clinical Predictive Model. Identified, selected and contracted with consulting firm to aid in project to predict high-cost diabetics. The firm, Medical Scientists, provided



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candidate variables for the analysis. We selected the population, identified additional candidate variables, coded the variables and developed the predictive model. The results were used to demonstrate the potentials and pitfalls of this type of work to the leaders of the clinical management department.

Department Integration. Post acquisitions, evaluated department functions, systems, and staff. Eliminated redundant or ineffective systems. Retained key colleagues. Created well functioning department supporting all areas within First Health.

Manager, Metrics Department - 1993 to 2000.

Managed 25-person department and served as lead consultant for key internal clients.

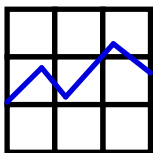
Department Management. Evaluated project requirements and proposed approaches and assigned appropriate staff while balancing staff availability and staff development goals. Designed and developed a Lotus Notes based project-tracking system that enabled the department to centralize all project documentation and track project status. Led the effort to improve project quality and service delivery through planning, in process spot-checking, and conducting project reviews. Developed staff billable rates and set up an internal transfer-pricing scheme to optimize departmental productivity.

Non-Network Fee Schedule. Created mechanism for setting coverage levels for non-network providers. Designed and implemented analytic approach to set CPT-code based pricing for non-hospital based care and place of service based pricing for hospital care. Developed methodology for evaluating network adequacy and determined the geographic coverage of the fee schedule. This fee schedule became a key marketing differentiator for First Health and was incorporated in every proposal for new business.

RFP Support. Developed approaches to answering RFP questions. Identified processes for automation and directed software development efforts. Managed team responsible for the rapid response to hundreds of RFPs annually.

Fee Schedule Software. Led multi-disciplinary team in software development project. The software was designed to support provider-contracting department (50+ users) and incorporated sample fee schedule production as well as regional and Medicare benchmarking.

Actuarial Software. Led an eight-person team in identifying the requirements; developing the underlying actuarial methods; and coding, testing, and documenting the resulting software products. This software was the first in the company that used a multi-



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version approach to development. This approach enabled managing the scope of the initial release to deliver on an aggressive time schedule.

Hospital Outpatient Reimbursement Strategy. Led a cross-functional team in formal brainstorming sessions to identify and evaluate approaches for controlling outpatient hospital costs. After selecting a fee schedule as the preferred approach, we performed the underlying research and statistical analysis to develop the relative value fee schedule (development cost was approximately \$150,000). Also produced the necessary materials, training, and software needed for implementation.

Product Performance Reports. Created a process to build consensus, coordinate development, and review quality of deliverables across several departments. Led the analytic team in identifying and organizing specific performance indicators. Developed reports, and consulted with Information Systems to fully set up production systems.

Senior Business Analyst, Analytic Services - 1993

Coordinated department management team, planning efforts, and department initiatives.

Department Planning. Facilitated meetings with department managers to identify department objectives, strategies, and tactics. Led the process of an internal SWOT analysis. Created organizational structures to fit identified objectives. Worked with department director to develop and track budget performance. Advised management team on staff availability and capacity.

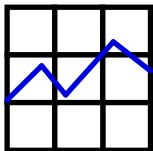
Project Management Standards. Created team and served as hands-on leader to develop a standard process for conducting analytic projects. The process included role definitions, project phases, quality control steps, and project budgeting techniques.

Vendor Management. Handled day-to-day contract responsibilities for \$750,000 annual computer timeshare contract. Conducted an evaluation of alternate vendors. Managed transition to new vendor.

Project Manager, Analytic Services - 1989 to 1992

Responsible for managing various project teams within the department.

Computer System Administration. Provided support to 30 users of a VAX system running SAS and Ingres. Configured system, developed capacity plans, and coordinated



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several system upgrades. Developed and managed process to ensure regular system backups.

CHAMPUS Program. Worked with Negotiations, Information Systems, and the fiscal intermediary to set up a PPO network for the Southeast. Developed procedures to communicate newly contracted providers to the fiscal intermediary. Led analytic team in analysis to support the development of the PPO. Also defined savings measures and implemented monthly performance reports.

Medicare Program. Led analytic team and developed procedures to profile providers for Medicare Part B in Georgia. Identified providers who over-utilized laboratory services, over-utilized injection therapy, or inappropriately used high-level office visit codes.

The Health Data Institute, Baxter Healthcare Corporation, Lexington, MA

Project Manager - 1988 to 1989

Supervised analytic staff in the development and delivery of reports evaluating managed care programs.

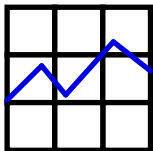
Program Evaluation. Established work plans and scheduled project phases to deliver multiple concurrent product performance reports. Developed routine quality assurance measures for analytic processes. The plans allowed for rapidly changing priorities as well as staff and computer resource constraints. Also evaluated alternative evaluation methodologies for incorporation into standard reports.

Technology Transfer. Planned and carried out a process to transfer our reporting technology to our client. This process involved documenting data and procedures and physically transferring them between computer systems.

Senior Analyst - 1987 to 1988

Worked as a section leader on different projects.

Audit System Development. Designed measures that would identify hospitals for an audit of their patient records. Led the effort to set up these measures in a production SAS system. Prepared user and system documentation.



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Database Construction. Managed loading claims data into SAS for analysis. Developed data requirements, implemented quality standards, and reviewed programs for efficiency.

Analyst - 1985 to 1987

Worked as a team member on analytic projects.

Plan Selection Model. Used prior years' health expenditures to predict individual plan choice under a triple option plan. Communicated the results of this logistic regression analysis to the client in a concise, non-technical manner.

System Testing. Conducted system and user acceptance testing for PC software project. Evaluated client needs and persuaded management to conduct market research project.

Education

University of California, Davis

Master of Business Administration - 1993

Massachusetts Institute of Technology

Bachelor of Science in Economics - 1986