Ideen Summary:

**IDEEN Pharmaceuticals Inc.** is a Brazilian company that has been involved in the evaluation, and actual physical construction of "State of the Art" advanced healthcare and pharmaceutical multi-sector technology parks and advanced hospitals and pharmaceutical facilities for more than 20 years.

In the Latin American pharmaceutical area, IDEEN holds shares in local pharmaceutical companies in Latin America - Brazil, Equador, Chile - and Europe, in the areas of Biotechnology, Oncology, Hormones and Phytomedicine.

IDEEN has a tradition of partnering and joint venturing in projects in the areas listed above, and one of its key worldwide partners in Biotechnology is LG Life Sciences, from South Korea's LG Chaebol, with whom IDEEN has several business contracts covering the Middle East and Latin America, for all of LGLS' products, and participates in LG's Product and Technology Committees.

In the areas of Oncology and Hormones, IDEEN has established strong partnerships with key European, Canadian and American Pharmaceutical Companies, either participating in product and technology development as well as exploiting business opportunities in the Middle East, Americas and Africa.

In phytomedicine, IDEEN does Research & Development of its own, exploiting Brazilian Native Plants, together with key European Pharmaceutical Companies – MERCK AG, SCHWABE and ALTANA – and has close ties and projects with key international researchers both in Brazil and Europe – University of Lausanne (CH), Max Planck Institute (G) and University of Santa Catarina (Br) – being two of the members of IDEEN's Board of Scientists also member of the Commission E (phyto products approval committee) of EMEA.

Established in 1979, CSC Architects is the building and construction company of IDEEN, since 1987 focusing particularly in projects for Health Care related industries – Pharmaceutical, API, Cosmetic - and Hospital units, with projects executed in Europe (Italy, Germany, Switzerland and Austria), Latin America (Brazil, Equador) and Middle East (Syria, Saudi Arabia).

IDEEN is an expert in Technology Transfer projects and is currently engaged in the completion of such projects within Latin America and other locations worldwide. In
addition, using IDEEN AG’s resources, CSC Architects is also able to offer full turn key projects with state of the art and updated Pharmaceutical Process Technologies and Hospital Management Technologies, adding a “T” to the EPCMV Concept, being this the key differential of CSC Architects among its competitors worldwide, especially in the Middle East and Latin America.

CSC Architects has been developing EPCMV projects since 2001, in the Pharmaceutical Industry, building a unique expertise and a selected and highly qualified group of professionals, experienced in biotechnology, oncology, hormone facilities.

CSC Architects USA was established in July 2005, with the aim of being closer to the Engineering and Construction techniques development Companies and Professionals working for the Pharmaceutical and Biotechnology Industries.

With a broader scope of activities specially designed for the American Market, CSC Architects USA is able to offer a complete range of services necessary to realize projects from conception to operation, to Biotechnology, Pharmaceutical and closely related industries and Hospital / Clinics and Health Care Providers.

Plant construction projects include a portfolio of advanced process technologies, a full range of engineering studies, from advising clients on the choice of sites to bankable feasibility and environmental studies, planning and total project management, engineering and design, procurement, construction, commissioning and plant & equipment validation to the FDA, EMEA and Japan Health Authority Requirements.

Plant construction projects have been completed worldwide. Within Brazil, the Company has been responsible for construction of the following facilities.

<table>
<thead>
<tr>
<th>Contract Award</th>
<th>Client</th>
<th>Project Description</th>
<th>Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>ACCO Science Pharma (Brazil)</td>
<td>Ophthalmology &amp; Small Volume Sterile Products (non parenteral) Plant</td>
<td>EPCMV</td>
</tr>
<tr>
<td>2004</td>
<td>FARMAYALA (Ecuador)</td>
<td>Small &amp; Large volume Parenterals Facility</td>
<td>EPCMV</td>
</tr>
<tr>
<td>2003</td>
<td>MELCON Pharma (Brazil)</td>
<td>Hormone Plant</td>
<td>EPCMV</td>
</tr>
<tr>
<td>2003</td>
<td>LABOMED (Chile)</td>
<td>Oncology Plant</td>
<td>EPCMV</td>
</tr>
<tr>
<td>2002</td>
<td>FORMIL Pharma (Brazil)</td>
<td>Ophthalmology, Liquid &amp; Semi-solid Production Plant</td>
<td>EPCMV</td>
</tr>
</tbody>
</table>
Company Profiles:

Ideen Summary

I. Name of the firm:
   IDEEN Pharmaceuticals Inc.,
   Brazilian Address:
   Rua Álvaro Rodrigues 152 / 92 – Brooklin
   04582-000 São Paulo, SP – Brasil
   phone +55 11 5044 3601
   www.ideenag.eu

II. Year Established: Incorporated in 1979,

III. Type of Ownership,
   - IDEEN FARMACÊUTICA LTDA (Brazilian LTDA)
   - IDEEN INTERNATIONAL Corporation (BVI)
   - IDEEN Saudi Arabia
   - BIO IDEEN Uruguay

And, Organizational Structure:
Major Assets:

As a major asset, the Ideen holds exclusive “Intellectual Property Rights or Agreements”, and “Technology Patents” necessary for the production or supply of high-end pharmaceutical products. The company focuses on “Biotechnology Products” in the Insulin, Vaccine, Oncology, Endocrinology, Autoimmune Disease and Blood Derivatives areas. Because of its technology assets, the Company is uniquely positioned to offer technical services via exclusive long-term contracts (normally 10-20 plus years). The Company is principally engaged by either secure “Foreign Governments”, or established “Multinational Pharmaceutical Companies”.

The Company provides three types of services:

- **Build, Operate & Transfer (BOT) Contracts**: Ideen is contracted to both build and operate for a specified period of time a “State of the Art” pharmaceutical manufacturing facility. Ideen is typically compensated by royalties for the Intellectual property, patents, and process technology required to run the facility. In addition, Ideen typically receives fee based revenue for its work to build and operate the facility. Ideen typically earns a net margin of approximately 30% to 40% of the actual cost of the facility (which normally ranges from $150 million to $270 million) for the build phase of the project, and shares another 40% to 50% of the net profit of the enterprise during the operating phase for a specified period of time.

- **Product Supply Contracts**: Ideen is a direct supplier of Insulin, Vaccine, Oncology products, Endocrinology products, Autoimmune Disease products and Blood Derivatives products to principally foreign governmental entities. Product supply contracts typically run for a period of between 20 to 30 years, and are in part enabled by Ideen’s own technology, and technology partnerships that Ideen has with other key multinational organizations. Ideen has signed technology partnerships with the following multinational organizations, or research institutes:
  - **Product & Technology Providers**:
    - LG Life Sciences (Korea)
    - Emcure Pharmaceuticals LTD. (India)
    - Medis International (Iceland)
    - Dong Bao Pharmaceutical (China)
    - BIOMM (Brazil)
    - Eurofarma (Brazil)
  - **Research & Development Partners**:
    - Butantan Institute (Brazil)
    - Fiocruz (Brazil)
    - NUPLAN (Brazil)

- **Technology Transfer Agreements**: Unlike many of the Company’s competitors, Ideen holds as a competitive advantage its “Technology Transfer” expertise. Ideen is typically engaged by a foreign governmental for the explicit purpose of
helping this entity to develop an in-house capability to produce a critically needed drug for a severe disease state. In return, the Company is typically provided with royalties for the technology either transferred or developed by Ideen, and provided with an exclusive contract to supply the product in question for a specified period of time.

Ideen is viewed as an expert for this type of work within Brazil, and is currently negotiating with the government of Brazil for the following Technology Transfer Contracts:

- Technology Transfer Agreement with NUPLAM (Brazil) on Olanzapine (with MEDIS).
- Technical & Scientific Agreement with BUTANTAN/FURP (Brazil) includes Technology Transfer.
- Technology Transfer Agreement with Butantan (Brazil) on Erythropoietin and Human Growth Hormone (with LGLS).
- Technical & Scientific Agreement with FIOCRUZ (Brazil) – includes Technology Transfer.
- Technical & Scientific Agreement with Air Force/Army/Navy (Brazil) – includes Technology Transfer.
- Insulin toll manufacturing & supply agreement with FIOCRUZ (Brazil)

Manufacturing History of IDEEN:

Within Brazil:
- Yr. 2001/2002 Formil Farmaceutica – Ophthalmology Brazil
- Yr. 2002/2003 Melcon Farmaceutica – Hormones Brazil
- Yr. 2004/2005 ACCO Science – Injectables/Ophtha. Brazil

Outside Brazil:
Ideen has been involved in the construction of manufacturing facilities for the following companies over the past 10 years.
- Novartis
- Fidia
- GSK
- Sandoz
- Zambon
- Fresenius-Kabi

Historical Landmarks:

Feb/2005 – IDEEN International Corporation establishment (BVI)

Jan/2006 - JV agreement ACCO Science vs. IDEEN (ophthalmology toll manufacturing facility construction) in Brazil

Mar/2006 – Insulin supply contract (15 years) signed with SHIFA Pharmaceuticals (Syria) – products under registration (approval expected Q1/2008)

Apr/2006 – Distribution Contract signed with LGLS for its products licensing to Brazil – products under registration (approval expected in the course of 2008)

Oct/2006 – BIO IDEEN Uruguay establishment

Dec/2006 – GMP approval of ACCO Science and start up of toll manufacturing activities

Jul/2007 – Vaccine and IV Solutions BOT Contracts signed with MANAFA (Saudi Arabia – 15 years operation – company owned by Crown Prince Sultan Al Saud)

Jul/2007 – Multiple Technologies Transfer MOU signed with MANAFA


Aug/2007 – Technology Transfer and Scientific Agreement signed with NUPLAM in Brazil (State Owned Pharmaceutical Company)

Sep/2007 – Technical & Scientific Agreement on Biotechnology between Uruguay’s Government and BIO IDEEN

Dec/2007 – LOI Signed with LGLS for its products technology transfer in selected markets by IDEEN


Jan/2008 – Approval in Brazil of 1st LGLS Product to be marketed by IDEEN - Hyal 2000 (hyaluronic acid of biotechnology origin for ophthalmology surgery) – first local sale expected in March/08

Current Status – Negotiations underway:

Q1/2008

- Technology Transfer Agreement with NUPLAM (Brazil) on Olanzapine (with MEDIS)
- Technical & Scientific Agreement with BUTANTAN/FURP (Brazil) includes Technology Transfer
- Technology Transfer Agreement with Butantan (Brazil) on Erythropoietin and Human Growth Hormone (with LGLS)
- Technical & Scientific Agreement with FIOCRUZ (Brazil) – includes Technology Transfer
- Technical & Scientific Agreement with Air Force/Army/Navy (Brazil) – includes Technology Transfer
- Insulin toll manufacturing & supply agreement with FIOCRUZ (Brazil)
- BOT contract with Private Investor in Hungary

Q2/2008

- Technical & Scientific Cooperation Agreement with Szeged University (Hungary)
- BOT Contract with Chile’s Government
- BOT Contract with Panama’s Government

Key Assets:

- Contracts signed:
  - JV Agreement ACCO SCIENCE in Brazil
  - Distribution Agreement with LGLS to Brazil
  - Supply Agreement of Insulin to Syria
  - BOT Contract IV Solution MANAFA Saudi Arabia
  - BOT Contract Vaccine MANAFA Saudi Arabia
  - Scientific Cooperation Agreement NUPLAM Brazil
  - Scientific Cooperation Agreement MoH Uruguay
  - Biotechnology Agreement Uruguay
  - Biotechnology Agreement Venezuela (Congress Approval’s Law)

- Established Companies:
  - IDEEN INTERNATIONAL Corporation (BVI)
  - IDEEN Saudi Arabia
  - BIO IDEEN Uruguay

- Technology Transfer Partners:
  - LG Life Sciences (South Korea) - Biotechnology
  - Medis International (Iceland) - Synthesis
  - Dong Bao Pharmaceuticals (China) - Biotechnology
  - BIOMM (Brazil) - Biotechnology
  - Eurofarma (Brazil) - Synthesis

- Other:
  - International Network – Government, Scientific, Pharmaceutical Business, Professional (Technical Experts in all Pharma related areas)
  - R&D Valuation Model - proprietary
CSC Architects:

Revenues by Market Sectors

<table>
<thead>
<tr>
<th>Market</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmaceutical</td>
<td>42%</td>
</tr>
<tr>
<td>Hospital</td>
<td>24%</td>
</tr>
<tr>
<td>Corporate</td>
<td>21%</td>
</tr>
<tr>
<td>Leisure &amp; Lodging</td>
<td>12%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

CSC Architect USA:

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CSC Architects has its own experts in planning technical building systems and validates suppliers of equipments/machinery – ventilating and air conditioning systems, clean room components and systems, procurement of process, production and QC equipments.

Our range of services comprises comprehensive facility management – management of technical systems with all tasks necessary to ensure trouble free operational process.
One of the key assets of CSC Architects is that we maintain in our staff the key professionals needed for EPCMV projects – architects, process engineers, construction engineers, biomedical engineers and technology experts – and partner with key engineering and construction companies worldwide to bring the most adequate and professional team to our clients.

This model provides CSC Architects the needed flexibility to incorporate new technology developments constantly and a full interchange of experiences and solutions to benefit our clients and optimize processes and projects.

**Number of Years of experience**

**In Europe:**
27 years

**In Latin America:**
5 years

**In the Middle East:**
3 years
Name and address of associated companies

Project Integrator:
CSC Architects LLC – USA
1295 Lovering Avenue
Wilmington, New Castle
Delaware 19806 - USA

Engineering Project, Construction Management & Validation:
CSC Architects – Italy
Via Camarele, 29
37020 Arbizzano di Negar (VR)

Engineering Project Support & Construction Management Support:
CSC Architects – Germany
Mohnweg 10
D-38350 Helmsted

PLANEX S.r.L – Società di Ingineria
Via Caprera 6
37126 Verona (VR), Italy

ALIFOR S.p.A
Via Jean Monnet 15
37136 Verona (VR), Italy

Project Russification & Approval in Russia:
El.Te.Co. Engineering S.r.L
Viale della Pace 146
36100 Vicenza (VI), Italy

Procurement:
CSC Architects – Germany
Mohnweg 10
D-38350 Helmsted

A&P Atlantico & Pacifico S.r.L
Via Cairoli 9
40121 Bologna, Italy
CSC Architects has a lean permanent staff, fully integrated, in 4 Countries.

**Temporary Staff is hired on Project Demand.**

**Permanent:** 54

**Temporary:** Currently CSC has 18 major ongoing projects worldwide, with 176 additional staff.

<table>
<thead>
<tr>
<th>Area</th>
<th>Total</th>
<th>Permanent</th>
<th>Temporary</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Technical:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bioprocess, Process &amp; CADD</td>
<td>8</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Biomedical Engineering</td>
<td>9</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Mechanical/HVAC/Fire Protection</td>
<td>27</td>
<td>2</td>
<td>25</td>
</tr>
<tr>
<td>Electrical</td>
<td>20</td>
<td>2</td>
<td>18</td>
</tr>
<tr>
<td>Plumbing and Piping</td>
<td>20</td>
<td>2</td>
<td>18</td>
</tr>
<tr>
<td>Automation, Control and System Integration</td>
<td>14</td>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td>Civil/Structural</td>
<td>12</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Architectural</td>
<td>14</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>IT</td>
<td>8</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>---------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Project Managers</td>
<td>22</td>
<td>4</td>
<td>18</td>
</tr>
<tr>
<td>Procurement</td>
<td>12</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Project Control /Estimating</td>
<td>22</td>
<td>4</td>
<td>18</td>
</tr>
<tr>
<td>Other Technical Staff</td>
<td>23</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Administrative</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management Team</td>
<td>9</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Finance, Administration, Sales &amp; Marketing</td>
<td>6</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Project Administration Support</td>
<td>22</td>
<td>4</td>
<td>18</td>
</tr>
</tbody>
</table>

**Executive Directors**

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Years with Company</th>
<th>Years of Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cesare Scandola</td>
<td>Managing Director</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>Otto W. Hupfeld</td>
<td>Director, Engineering</td>
<td>5</td>
<td>42</td>
</tr>
<tr>
<td>Hans J. Mueller</td>
<td>Director, Business Development</td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td>Tadashi Kumagai</td>
<td>Director, Technical Consulting</td>
<td>5</td>
<td>21</td>
</tr>
<tr>
<td>Sergio Toviansky</td>
<td>Director, Finance &amp; Administration</td>
<td>4</td>
<td>30</td>
</tr>
</tbody>
</table>

**Company Experience – Geographical**

By being a European Engineering and Consulting company, the majority of the projects of CSC Architects were executed in European Countries – Italy, Germany, Switzerland, Austria, France, among others.

Its European projects were in many areas including Pharmaceutical and Hospital Projects. Below, a brief summary of the projects implemented in the Pharmaceutical area in Europe:

<table>
<thead>
<tr>
<th>Contract Award</th>
<th>Client</th>
<th>Project Description</th>
<th>Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>HAEMOTRONIC (Modena – Italy)</td>
<td>Blood Bank Facility</td>
<td>ECmV</td>
</tr>
<tr>
<td>2004</td>
<td>GSK (Verona – Italy)</td>
<td>Retrofit of R&amp;D Facilities</td>
<td>ECm</td>
</tr>
<tr>
<td>2004</td>
<td>FIDIA (Italy)</td>
<td>New Production Plant Hyaluronic Acid – Biotechnology</td>
<td>ECmV</td>
</tr>
<tr>
<td>Contract Award</td>
<td>Client</td>
<td>Project Description</td>
<td>Scope</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------------------------</td>
<td>----------------------------------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>2003</td>
<td>GSK (Parma – Italy)</td>
<td>Oncology Products Production Plant</td>
<td>Consultancy E</td>
</tr>
<tr>
<td>2003</td>
<td>ZAMBON Chimica (Lonigo – Italy)</td>
<td>New production Line APIs</td>
<td>ECm</td>
</tr>
<tr>
<td>2002</td>
<td>GSK (Parma – Italy)</td>
<td>Freeze Dried Area</td>
<td>E</td>
</tr>
<tr>
<td>2002</td>
<td>GSK (Parma – Italy)</td>
<td>Microbiology Lab</td>
<td>CmV</td>
</tr>
<tr>
<td>2002</td>
<td>FRESENIUS KABI (Verona – Italy)</td>
<td>Dyalisis Flask Production Plant</td>
<td>EPC</td>
</tr>
<tr>
<td>2001</td>
<td>IPRA SpA (Enna – Italy)</td>
<td>WFI</td>
<td>EPCm</td>
</tr>
<tr>
<td>2001</td>
<td>SIFRA (Verona – Italy)</td>
<td>Retrofit Dyalisis Flask Production Plant</td>
<td>EPC</td>
</tr>
<tr>
<td>2001</td>
<td>SIFRA (Trieste – Italy)</td>
<td>Dyalisis Flask Production Plant</td>
<td>Cm</td>
</tr>
<tr>
<td>2000</td>
<td>PITMANN MOORE (Verona – Italy)</td>
<td>Tablet Production Line</td>
<td>E</td>
</tr>
<tr>
<td>2000</td>
<td>BMS (Frosinone – Italy)</td>
<td>Tablet Production Line</td>
<td>EV</td>
</tr>
<tr>
<td>1999</td>
<td>LEPETIT (Frosinone – Italy)</td>
<td>Utilities &amp; WFI</td>
<td>ECm</td>
</tr>
<tr>
<td>1999</td>
<td>INPHARMZAM (Ticino – Switzerland)</td>
<td>Microbiology Lab</td>
<td>E</td>
</tr>
<tr>
<td>1998</td>
<td>BIOCHEMIE (Trento – Italy)</td>
<td>Microbiology Lab Clean room area Warehouse Waste &amp; Water Treatment API Waste Management Process Engineering Review</td>
<td>E PM MC</td>
</tr>
</tbody>
</table>

**KEY**

S = Feasibility Studies  
CS = Consultancy Services  
P = Procurement  
E = Engineering  
MC = Managing Consultant  
FEED = Front End Engineering Design  
C = Construction  
CM = Construction Management  
PM = Project Management  
SC = Subcontract

In 2003, CSC Architects began to execute projects in the Middle East, focusing specifically the Pharmaceutical and Hospital Areas:

<table>
<thead>
<tr>
<th>Contract Award</th>
<th>Client</th>
<th>Project Description</th>
<th>Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>Alsalaam Pharma (Syria)</td>
<td>Hormone &amp; Oncology Plants</td>
<td>EPMV</td>
</tr>
<tr>
<td>2005</td>
<td>Alchifa Pharma (Syria)</td>
<td>Biotechnology Plant</td>
<td>EPMV</td>
</tr>
<tr>
<td>2004</td>
<td>Serda Pharma (Syria)</td>
<td>IV Bags Plant</td>
<td>EPMV</td>
</tr>
</tbody>
</table>

**KEY**
Bank References

- FORTIS BANK ITALIA
- INTESA BCI
- BANCA CREDITO COOPERATIVO (BCC) DI CASTENASO (BO)

IDEEN FEASIBILITY ASSESSMENT SERVICES

Among other services, IDEEN, and CSC Architects, provides a full array of services for feasibility assessments and studies similar to and even more complex than this project request from the USTDA for the Multi-Sector Technology Park Project.

The following is a detailed list of the feasibility and engineering services provided by Ideen and CSC Architects.

- Engineering Project – Conceptual Review
  - Engineering Project – Basic and Detailed
  - Procurement & Equipment Validation
  - Construction
  - Construction Management
  - Site Validation

Engineering Project – Conceptual Review

- Project Management
  - International kick off meeting – Italy
  - Project organization
  - Personnel planning
  - Cost estimate of overall investment costs +/- 30%
  - Internal project controlling
- Process Technology
  - Completion of equipment list (general level of information)
  - Rough sizing of the equipment
  - Facility Layout with positioning of main equipments
  - Estimation of clean utility demand with rough design of equipment
- Estimation of black utility demand
- Cost Calculation

- Building Services
  - Clean room classifications
  - HVAC concept and design of HVAC systems and distribution
  - Utility requirements of HVAC systems
  - Support of architecture with required information with room list
  - Cost Calculation

- Architecture
  - Layout plans of all floors
  - Sectional Review
  - Layout plans with main equipment for process and HVAC
  - Clean room classification area layout

- Other services
  - All documents to be prepared in English and Russian Languages
  - Final documents bound in manuals, 2 copies

- Exclusions
  - Basic process equipment list – to be supplied by BIOMM International
  - Facility and process description
  - Mass balances
  - Block flow Diagrams
  - Process flow diagrams
Renato José La Porta Pimazzoni Filho
Rua Ernest Renan 495 - 10 floor
Sao Paulo, SP 05659-020
Brazil
cell: +55 11 8302 3900
rpimazzoni@hotmail.com / rpimazzoni@gmail.com

Career History

IDEEN AG - Own Business, Biotechnology (10/2003 - Present)
Sao Paulo, SP
Owner

IDEEN AG (Investment Financial Holding in Health Care Technologies - Biotechnology, Vaccine, Blood Derivatives, Endocrinology, Oncology, Autoimmune Disease, Nutrition, Ophthalmology - focusing Latin America and Middle East)
Chairman of the Board, in charge of the strategy definition
- International operational and societal structuring
- Investment Strategies Definition
- International Business Development, Operational and Commercial Agreements discussion and deals closing: R&D, Acquisition of Technologies, Products, Pipeline, Patents, Technology Rights and Companies; Technology Transfer and Marketing of technologies and molecules/products developed from proprietary Technologies.

FORMIL Farmaceutica Ltda (formerly GENOM Farmaceutica Ltda.) - Own business, Pharmaceuticals (10/2003 - 06/2005)
Barueri, Sao Paulo
Owner

Pharmaceutical Industry - Ophthalmology and Toll Manufacturing
Owner, acting President in charge of company management.
- Operational and societal restructuring - turn around and sale of the company
- Business Development, JV Agreements, commercial and technology agreements - development and supply of products and technology abroad (URSAPHARM – Germany; LG Life Sciences – South Korea; Bagó – Argentina; Merck AG – Chile and Mexico; among others) and in Brazil – União Química, Eurofarma, Biosintética, Hexal.
- Sell out of own branded product line - ophthalmology (GENOM) to the Brazilian Pharmaceutical Company União Química in 2004.
ACHÉ SA, Pharmaceuticals (05/2001 - 10/2003)
Guarulhos, Sao Paulo
Director, Business Development (legal representative)

DIRECTOR, BUSINESS DEVELOPMENT (legal representative) replacing one of the owners – Dr. Victor Siaulyas – who went to the Board as Chairman
- Strategic Planning (with McKinsey & Co), licensing in/out, Business Development, Government & Institutional Relations, Regulatory Affairs, R&D - Pharmaceutical and Phytomedicine Products
- Startup of a New Business Unit - PHYTOMEDICA
- Restructuring and recovery of Regulatory Affairs, under fire by ANVISA
- Registration and launching of 6 new products within 12 months (including the first phytomedicine products in the company – Soyfemme and Diosmin); registration and launching of additional 9 products within 24 months (Acheflan included)
- In licensing of several products further launched and under registration approval by ANVISA
- Startup of Formulation Development Area
- Creation of Scientific Board of Advisors focusing R&D development and internal R&D Management Group, refocusing investment and projects. New R&D projects brought in house
- 3 year strategic plan preparation and approval by the Board
- Initial discussion for the Acquisition of Biosintetica
- Participation in the acquisition process of ASTA Medica

ZAMBON SpA, Pharmaceuticals / Chemicals (05/1998 - 05/2001)
Sao Paulo, SP
Director, Business Development, Americas (legal representative)

DIRECTOR, Business Development, AMERICAS (main focus Latin America)
Pharmaceuticals: reporting to the one of the Board Members and Director;
Chemicals/API: reporting to the Trading Company President, in Switzerland;
In charge of the subsidiaries of Brazil and Colombia, of the Commercial Office in NYC-USA and distributors throughout Latin America - Bagó, Schering Plough, SANOFI, among others;
- Licensing in/out of both pharmaceutical and API in the Americas
- Acting President in Colombia and Brazil
- Bids and Tenders in Latin America
- Government and Institutional Relations

Sao Paulo, SP
Executive Director (legal representative)

EXECUTIVE DIRECTOR (legal representative), reporting to the Board (4 owning families) - one among 3 executives managing the company as Executive Committee.
- Commercial Operation (Sales - government, distributors, bookstores, own retail
  - Marketing, Business Development, Export
- Government, Institutional and Press Relations
- Logistic Operation
- Corporative co marketing activities (Unilever/Kibon, Walitta, Banco Real, AMEX,
Credicard, Rhodia, Nestlé, TV, Newspapers and Magazines throughout Brazil
- Development of alternative marketing and communication programs - direct mail, inserts, incentive & fidelization plans
- Sales system restructuring
- Startup of Educational Software Division
- Copyright negotiation - books, video, software
- Preparation for the sale of the company to VIVENDI Group (France)

**ALLERGAN, Pharmaceuticals** (07/1994 - 10/1996)
Buenos Aires, Cap. Fed. Argentina
*Director, Marketing and Business Development - Mercosur*

**DIRECTOR, MARKETING & Business Development - Argentina, Chile, Uruguay and Paraguay** - reporting to the Area Vice President
- Sales, Marketing, Regulatory Affairs, Trademarks, Patents, Training, Medical Division - Ophthalmology, Dermatology, Neurology, OTC (Cosmeceutical, optical and contact lenses products), surgical Line (equipments & machinery)
- Merging of 2 acquisitions - LOA and Bonru Perel/Zine in Argentina
- Startup of Chile and Paraguay operations and distribution in Uruguay
- Startup of cosmeceutical operation in Latin America - coordination leader
- Member of the acquisition team in the USA of MD Skin Care Company (AcquaGlycolic line)
- Mercosur Project Leader for production consolidation - Brazil/Ireland/USA
- Phase out of local production and streamlining of local operation into commercial office
- Government and Institutional relations

**AKZO NOBEL - Organon Division, Pharmaceuticals** (02/1993 - 07/1994)
Sao Paulo, SP
*Marketing Manager*

**MARKETING Manager, reporting to the Division Director**
- Marketing, Training and Market Research (Gynecology, Central Nervous System, General Medicine, OTC)
- in/out licensing for Brazil
- Coordination and launching of Risperdal (Schizophrenia Drug) in co marketing with Janssen (J&J)
- Launching of Mercilon (Oral Contraceptive)

**Schering Plough, Pharmaceuticals** (10/1991 - 12/1992)
Rio de Janeiro, RJ
*Director, Marketing and Business Development*

**DIRECTOR, MARKETING and Business Development, Pharmaceuticals, reporting to the President**
- Sales, Marketing, Regulatory Affairs, training, Market Research
- In licensing

**Eli Lilly, Pharmaceuticals / Animal Health / AgChem** (05/1987 - 10/1991)
Sao Paulo, SP
*Marketing Manager*
MARKETING Manager, Pharmaceuticals, reporting to the Division Director

NATIONAL SALES MANAGER, Animal Health, reporting to the President of the Company in Brazil

PRODUCT Manager, AgChem, reporting to the Division Director

Education
Columbia University - NYC USA (1989)
Master of Business Administration, Executive MBA
Federal University of Parana- UFPR - Brazil (1985)
Bachelor of Science, Physics
Catholic University of Parana - PUC-PR - Brazil (1985)
Bachelor of Engineering, Civil engineering

Certifications
Registered Professional Engineer (1985)

Languages
English (Fluent)
French (Fluent)
German (Fluent)
Italian (Fluent)
Portuguese (Native)
Spanish (Fluent)

International Experience
Global (Current)

Geographic Preference
No Preference

Countries where permanent/resident visa are valid
Brazil
Uruguay
Saudi Arabia
European Union

Other Activities
• Vice President - Brazil/Hungary Chamber of Commerce (since 2005)
• Vice President - Brazil/Shenzen-Jilin Chamber of Commerce (founding member in 2008)
• Member of IBGC – Brazilian Institute of Corporate Governance
• Member of: DIA (Drug Investigators Association), AAPS (American Association of Pharmaceutical Scientists), ABC (American Botanical Council), ISPE (International Society of Pharmaceutical Engineers), I-Plant Plant (Biology
Scientists Network), AAAS (American Association for the Advancement of Science), among others.

- Coordinator, speaker and participant in several Seminars and Congresses, both in Brazil and abroad - avg. 3 per year since 2003
- Several articles published in the areas of business development, marketing, market trends, biotechnology, plant science - in Brazilian and international magazines and newspapers (Drugs, Pharmaceutical Executive, Pharmafocus, among others)
- Voluntary member in the NGO Lar dos Pequeninos/Home of the Small Ones (Embu, SP) dedicated to provide shelter, social assistance and education to children from 0 to 16 years old, coming from homes whose parents are convicts in jail
- Hobby: genealogy - founding member of INGESC – Instituto Genealógico de Santa Catarina/Genealogy Institute of Santa Catarina State
HEALTHCARE MANAGEMENT PARTNERS, LLC

STATEMENT OF QUALIFICATIONS

April, 2013

Listen
Evaluate
Implement
Implement
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ABOUT HEALTHCARE MANAGEMENT PARTNERS

WHO WE ARE

Healthcare Management Partners, LLC is a firm led by a team of C-Level healthcare executives that quickly define and solve problems to produce exceptional results for healthcare organizations and their stakeholders.

With its extensive experience, Financial Modeling and Data Analysis Tools and action-based business model, HMP provides senior executive led Management, Financial Advisory and Litigation Support services to hospitals and other healthcare organizations and their creditor, investors and business partners.

MANAGEMENT SERVICES

HMP is a hospital and healthcare services management firm. All of its senior executives have decades of healthcare experience including CEO, COO, and CFO assignments across the spectrum of healthcare service providers. Our leaders have deep experience in building and operating thriving healthcare organizations. Part of that experience includes taking decisive action in crisis or turnaround situations. This knowledge base gives HMP a unique perspective and all the tools necessary to handle the issues facing any healthcare provider organization.

HMP provides Hospital Contract Management, Turnaround Management and Interim or Crisis Management services.

FINANCIAL ADVISORY

The complex and ever-changing nature of the healthcare markets can test even the strongest organizations. Healthcare Management Partners serves as financial advisor to hospitals and other healthcare providers facing strategic decisions directly impacting current or future financial performance.

HMP frequently serves banks, bond holders, private equity firms, or committees of unsecured creditors, and their legal and accounting advisors in conjunction with complex business transactions or restructurings involving healthcare providers.

Our services include Creditor Advisory, Operational and Financial Due Diligence. Unlike many of our competitors, every financial advisory services engagement is led, on the ground, by experienced C-Level healthcare executives.
Statement of Qualifications

LITIGATION SUPPORT

HMP’s Testifying and Consulting Experts rigorously incorporate economic and accounting principles into sophisticated financial, statistical and data mining models for the calculation of damages and lost profits. Our experts prepare and interpret economic and statistical analyses and present their findings effectively in court to regulatory authorities or to healthcare clients.

Our team is skilled at performing comprehensive investigations, providing in-depth analyses of complex financial transactions, preparing clear and concise reports, and providing compelling expert testimony to courts, arbitrators, mediators and juries. Our professionals bring a proven track record and reputation for providing exceptional service.

HMP professionals have assisted boards of directors, and management of both private and public healthcare organizations.

In particular, we have assisted in responses to investigations and inquiries initiated by or involving regulatory and law enforcement bodies related to financial reporting (GAAP), whistleblower allegations regulatory compliance reviews, securities law violations and other misappropriation of assets.

FINANCIAL MODELING AND DATA ANALYSIS TOOLS

Over many years of successful client engagements, Healthcare Management Partners has developed a number of sophisticated software tools and data sets to enable it to rapidly assist its clients and corporate partners to achieve their unique business objectives. Our professionals employ these tools to quickly evaluate our healthcare clients’ market placement, productivity, financial condition and short term debt capacity to meet pressing working capital needs.

We have also developed a tool to accurately evaluate the payment patterns and practices of third party payors to assist providers in maximizing their collection efforts.

Finally, HMP has developed a unique set of tools that enable it to minimize the cost of managing the administrative burdens of a healthcare client in bankruptcy.
Statement of Qualifications

OUR APPROACH

Our approach to every assignment is built upon the straightforward application of three simple steps or guiding principles.

Listen – We listen carefully and continuously to our clients, their key stakeholders and the marketplace throughout each assignment.

Evaluate – We employ comprehensive fact based analysis to evaluate and validate assumptions, findings and recommended actions.

Implement – We have a bias toward “getting it done.” We take decisive action to quickly and effectively implement strategies to convert opportunities and eliminate problems

THE HMP DIFFERENCE

Total commitment to providing C-Level attention throughout each assignment by experienced healthcare executive

Small, dedicated teams of operating professionals for each assignment

Absolute integrity of our fact-based approach

Action-oriented diagnostic and business planning processes

Proven ability to drive positive outcomes in all sectors of healthcare

Depth of HMP network, providing critical access to key resources and people

Commitment to the highest professional standards
Statement of Qualifications

MANAGEMENT SERVICES

HOSPITAL CONTRACT MANAGEMENT, TURNAROUND MANAGEMENT, AND INTERIM AND CRISIS MANAGEMENT OF HEALTHCARE PROVIDERS

HMP is a hospital and healthcare services management firm. All of its senior executives have decades of healthcare experience including CEO, COO and CFO assignments across the spectrum of health services. Examples of specific assignments include serving as the Chief Executive Officer (CEO) of the following types of healthcare organizations:

- Religious affiliated or sponsored multihospital systems
- Free standing not-for-profit or government owned community hospitals
- University and major teaching hospitals
- Single site and multihospital regional operations for investor owned hospital management companies
- De Novo organizations (start-up) planning, construction and operation of new general acute care hospitals, free-standing heart and cancer hospitals, a continuing care retirement community and many other related facilities
- Hospitals that are in bankruptcy or for sale
- Financially distressed skilled nursing facilities
- Home health, hospice and physician practices

HMP's senior management team has deep experience in building and operating thriving healthcare organizations. Part of that experience includes taking decisive action in crisis or turnaround situations. This knowledge base gives HMP a unique perspective and all the tools necessary to handle the issues facing any healthcare provider organization.

"HMP'S SENIOR STAFF MEMBERS ARE PROFESSIONAL HEALTHCARE SERVICE EXECUTIVES WHO ALSO POSSESS CONSULTING SKILLS, NOT PROFESSIONAL CONSULTANTS. WE UNDERSTAND AND ARE COMMITTED TO THE PROVISION OF QUALITY HEALTHCARE SERVICES AT EVERY PROVIDER ORGANIZATION IN WHICH WE HAVE A MANAGEMENT ROLE."

Hospital Contract Management

HMP is positioned to undertake the long term (3 to 5 years) contract management of hospitals of all sizes and stages of development. Our executives are experienced in leading the development of new or replacement general acute care or specialty hospitals or the turnaround and repositioning of existing hospitals. They can effectively lead initiatives in the following areas:
Statement of Qualifications

Strategic Leadership
- Market Positioning
- Brand Development
- Service Line Development
- Capital Planning and Investment
- Physician Relations
- Physician Integration
- Continuum of Care
- Corporate and Medical Staff Governance
- Mission and Vision
- Design and Implementation of Strategic Plans

Clinical Excellence
- Clinical Process Redesign
- Evidence-Based Care
- Resource Utilization and Cost of Quality
- Pay for Performance
- Care and Case Management Processes
- Quality and Safety Indicators

Operational Excellence
- Patient Throughput
- Emergency Department Clinical Efficiency
- Surgical Services Clinical Efficiency
- Inpatient Length of Stay and Level of Care
- Human Resources Management
- Ambulatory Care
- Hospice and Home Care
- Best Practices and Operating Metrics

Financial Performance Optimization
- Revenue Cycle
- Business Office Consolidation
- Managed Care Contracting
- Risk Management and Insurance
- Budgeting / Financial Planning
- Capital Programs
- Supply Chain
- Financial Reporting and Accounting

We will be directly accountable to the board of directors and will assume full responsibility to plan, organize, staff, direct and control the successful and cost effective operations of the hospital.
Statement of Qualifications

Because HMP is not a management consulting firm, our contract management executives are free to always bring the best and most cost effective solution, from whatever source, to the hospital should outside assistance prove necessary to implement a given strategic or tactical initiative.

Turnaround Management

HMP’s executives have served as chief restructuring officers of healthcare companies through bankruptcies, crisis situations and in the early stages of high-profile criminal and civil fraud investigations. In each of these situations, their leadership helped these organizations bolster performance through discipline and carefully planned action.

Some consultants assess your problems and provide a recommended course of action. But HMP executives take the helm of failing organizations and assume direct responsibility for transforming them. Time and again, they have succeeded in revitalizing providers of all kinds, from a rural nursing home chain to a 1,000 bed teaching hospital or a 179 bed county owned community hospital.

There are no quick fixes in turnaround management, but HMP has developed a highly effective, streamlined approach for achieving lasting improvements as soon as possible. We begin by developing a strong knowledge base of your organization. Individuals from every level of the organization are interviewed including management, medical and nursing staff members, board of directors, employees, patients and their families. Their input, combined with a depth of healthcare industry knowledge, allows HMP to:

- Stabilize the crises
- Identify immediate opportunities and challenges
- Develop a strategic plan, including milestones and deadlines
- Define expected outcomes
- Build consensus with all constituents – medical and nursing staffs, management, unions, vendors, patients, and the local community
- Change cultures, and
- Optimize performance

In all of its healthcare provider turnaround assignments, HMP has successfully designed and executed plans that simultaneously added patient volume and revenues, reduced costs and improved profitability and cash flow.

From the outset, HMP builds on each organization’s strengths, working side-by-side with management, directors and other key stakeholders to drive desired results. HMP also focuses on winning the support and active participation of the medical and nursing staffs, which is fundamental for delivering quality healthcare services and improving financial results.

Beyond anchoring successful turnarounds, this approach leads to the identification and implementation of additional revenue-generating opportunities.
Statement of Qualifications

During a hard restructuring either within or outside bankruptcy, HMP works alongside management to develop and quickly implement a plan that makes sense given the organization’s resource constraints and market positioning. We are on the ground leading specific aspects of the turnaround process and helping to manage complex constituency relations and communications. As part of this process our executives will:

- Address immediate working capital needs
- Stabilize core operations
- Review financial projections and develop actionable business plans
- As required, design and implement any necessary operational restructuring
- Implement ongoing communications processes with key constituencies
- Develop and immediately implement cost reduction initiatives
- Design and implement cash conservation guidelines and controls
- Develop employee incentive plans
- Identify and dispose of non-core assets
- Develop pre-bankruptcy plans
- Assist with bankruptcy case administration, serving as Bankruptcy Trustees and Examiners
- Manage creditor communication and negotiation processes

Interim and Crisis Management

HMP serves in interim and crisis management roles when required to help guide providers through periods of crisis or change. Companies that are underperforming and in crisis or healthy but in transition, may need additional experienced healthcare industry leaders to stabilize operations and improve financial performance or maintain continuity in the rapid implementation of critical strategic initiatives.

Our professionals can offer critical advice or step into key leadership positions such as Chief Restructuring Officer, Chief Financial Officer, or Chief Executive Officer to provide needed stability during periods of change.

Our proven interim management capabilities add valuable support in crisis situations. We immediately fill critical leadership vacancies and shorten the lead-time for implementing specific initiatives. HMP provides much needed leadership and speed to create value in executing crisis management and restructuring plans. Our crisis and interim management services include:

- Immediate staffing of critical senior management positions
- Reducing lead-time for implementing strategic initiatives
- Managing communications processes with Members of the medical and nursing staffs, board members, employees and regulators, and if required
- Bankruptcy process planning and administration
FINANCIAL ADVISORY

The complex and ever-changing nature of the healthcare markets can test even the strongest organizations. Healthcare Management Partners serves as advisor to hospitals and other healthcare providers facing strategic decisions directly impacting current or future financial performance.

HMP also frequently serves banks, bond holders, private equity firms, or committees of unsecured creditors and their legal and accounting advisors in conjunction with complex business transactions or restructurings involving healthcare providers. We provide creditor advisory and operational and financial due diligence.

Unlike many of our competitors, every financial advisory services engagement is led, on the ground, by experienced C-Level healthcare executives. Our project experience has been diverse.

For example, in a recent project for Deutsche Bank, HMP analyzed the effects of proposed major and highly complex changes to the Medicare payment system for the home health agency market. HMP’s analysis identified which companies would benefit and which would be hurt—and by how much—by the proposed changes.

In another case, HMP worked with a very successful behavioral health managed care organization in the Northeast to set a new strategic direction and optimize the organization’s enterprise value. HMP played a pivotal role in executing the plan, which included identifying and negotiating with potential merger partners. As a direct result of HMP’s leadership, the regional MCO is now the behavioral health arm of the nation’s largest Medicaid managed-care organization.

Creditor Advisory

HMP provides support to creditor groups with interests in Healthcare provider organizations engaged in complex restructuring, bankruptcy and distressed situations. Our services enable lender groups, bondholders, trade creditors, investors and others to quickly and accurately evaluate the risks and opportunities associated with a provider’s business plan. Our efforts are designed to help all of the parties make informed business judgments that will maximize overall recoveries.

Our creditor advisory services include:

- Review of short-term cash flow projections
- Analysis of cash conservation efforts and procedures
- Analysis of business plans, including risks and opportunities
- Valuation of collateral packages on both a going concern or liquidation basis
- Assistance in negotiation of amendment and forbearance agreements
- Review and assessment of restructuring alternatives
- Performance monitoring following business plan implementation
Statement of Qualifications

Financial Due Diligence

HMP's financial due diligence is provided by a team of experienced healthcare executives who analyze quality of earnings and working capital requirements through financial statements, patient mix and market placement, and on-site discussions with medical staff, management and board members. Our focused and tailored approach enables us to rapidly identify and understand potential deal breakers, value drivers and other areas of interest specific to our clients. We perform both buy-side and sell-side due diligence.

Our financial due diligence services include:
- Assessment of the target provider's quality of earnings, including the identification of overly aggressive accounting policies and the assessment of the adequacy of third party contractual allowances, as well as GAAP accounting
- Analysis of the cash flows revenue cycle (e.g., working capital changes, capital expenditures, etc.)
- Review of on and off balance sheet assets and liabilities, including significant operating lease obligations
- Use of our proprietary financial modeling and data analysis tools to assess market position, payer mix to specifically identify market opportunities as well as trends in profitability and significant concentrations of risk
- Evaluation of management's financial projections and business plans
- Comprehensive discussion with management and their advisors
- Performance of both buy-side and sell-side due diligence

Operational Due Diligence

Informed lenders and investors understand that successful transactions only start with a full understanding of historical and projected financial information. To maximize returns while minimizing risks, hospitals and other providers must continuously improve operational efficiency, identify and convert market opportunities, and maximize the efficiency of cash flow. HMP's staff of experienced healthcare executives assists our clients in analyzing the quality and efficiency of critical patient services and processes. From our thorough fact-based analysis, we identify, quantify and validate opportunities for EBITDA improvement. Our integrated operational and financial due diligence staff work together closely to quickly assemble a comprehensive picture of the investment opportunity.
**Statement of Qualifications**

**LITIGATION SUPPORT**

**Litigation Support and Expert Testimony**

Disagreements and disputes among organizations in the healthcare field are inevitable. HMP can apply its **Customized Data Mining and Analysis** capabilities, sophisticated modeling and benchmarking tools to produce thorough and accurate analysis and documentation for legal disputes. When the issues cannot be resolved through settlement and end up in court, HMP’s senior executives are trained to enter the courtroom and provide expert testimony based on their extensive healthcare management experience and analysis.

HMP combines its quantitative strengths with hard-won healthcare industry operating experience to effectively evaluate qualitative issues involving the organization and delivery of patient care. The goal is to get to the bottom of the disagreement in a disciplined way, digging deep to determine precise facts.

**Testifying and Consulting Experts**

For a healthcare organization facing complex litigation involving contract disputes, Medicare fraud allegations or liability analysis, you need the support and advice of experienced professionals who can provide independent and objective expert opinions.

HMP’s Testifying and Consulting Experts rigorously incorporate economic and accounting principles into sophisticated financial, statistical and data mining models for the calculation of damages and lost profits. Our experts prepare and interpret economic and statistical analyses and present their findings effectively in court, to regulatory authorities or to healthcare clients.

HMP’s professionals consult and testify on various types of damages claims, including Medicare fraud, lost profits, loss of value, econometric and statistical analysis, restitution, contract damages, market definition and competition analysis.

**Testifying and Consulting Experts services include:**
- Accounting and Financial Reporting
- Bankruptcy Fraud and Litigation
- Breach of Contract Claims
- Business Interruption
- Economic Damages and Lost Profits
- Economic Modeling and Forecasting
- Financial Investigations
- Expert Witness Testimony
- Medicare and Medicaid Fraud and Abuse
- Professional Malpractice (Accounting, Consulting and Hospital Management or Turnaround)
Statement of Qualifications

Investigations

Today, Healthcare Providers are facing unprecedented scrutiny from internal and external parties. Financial, accounting and fraud investigations, business disputes and regulatory probes have become burdensome and complicated. Providers and their legal counsel need a dedicated and specialized team of healthcare industry professionals with deep financial and accounting skills at their side to confront these challenges.

Our team is skilled at performing comprehensive investigations, providing in-depth analyses of complex financial transactions, preparing clear and concise reports, and providing compelling expert testimony to courts, arbitrators, mediators and juries. Our professionals bring a proven track record and reputation for providing exceptional service.

Healthcare Management Partners brings singular experience and knowledge to this work. HMP senior executives have led or participated in the forensic accounting teams of two of the biggest Medicare frauds in history—HCA and HealthSouth. They are now providing litigation support for another massive Medicare fraud case.

HMP professionals have assisted boards of directors, and management of both private and public healthcare organizations. In particular, we have assisted in responses to investigations and inquiries initiated by or involving regulatory and law enforcement bodies related to financial reporting (GAAP), whistleblower allegations regulatory compliance reviews, securities law violations and other misappropriation of assets.

Our Investigation services include:
- Accounting Irregularities
- Bankruptcy Fraud
- Stark Violations
- Embezzlement of Funds
- Patient Billing or False Claims Act Violations
- Regulatory Compliance and Enforcement
- Receiver’s and Examiner’s Roles
Statement of Qualifications

MODELING AND DATA ANALYSIS TOOLS

Over many years of successful client engagements Healthcare Management Partners has developed a number of sophisticated tools to enable it to rapidly assist its clients and corporate partners to achieve their unique business objectives. In turn, our professionals can employ these tools to quickly evaluate our healthcare client's market placement, productivity, financial condition and short term debt capacity to meet pressing working capital needs.

We have also developed a tool to accurately evaluate the payment patterns and practices of third party payors to assist providers in maximizing their collection efforts.

Finally, HMP has developed a unique set of tools that enable it to minimize the cost of managing the administrative burdens of a healthcare client in bankruptcy.

HMP METRICS

Peer Group Adjusted Performance Measurement for Healthcare Providers

HMP Metrics uses a custom electronic data base which includes the data contained in the Healthcare Cost Report Information System (HCRIS) from more than 200,000 Medicare Cost Reports filed by hospitals, nursing homes, home health agencies and other providers since 1994. Additionally for hospitals only, the HMP Metrics database also includes selected data elements from the Medicare Provider Analysis and Review (MEDPAR) database and data sets licensed by HMP from credit rating agencies and healthcare industry trade associations.

Using proprietary filters the date contained in the HMP Metrics database has been “scrubbed” to exclude incorrect, partial period or statistically aberrant data elements for individual hospitals or health systems. This data validation process enables HMP Metrics to produce highly accurate and defensible peer group comparisons for dozens of standard industry metrics.

HMP can easily create customized reports and mix or create new peer groups and compare them to state or national benchmarks. Examples of peer groups that a user might wish to examine include:

- Hospitals members of a single multihospital system
- Hospitals with a specific long term debt rating (BBB, A-, AA, etc.)
- Hospital members of specific hospital trade association (CHA, NCHRI, AAMC, etc.)
- Hospitals by ownership, size, geographic region or teaching status
- Hospitals with bonds outstanding issued by a specific health care facilities bond authority

The diversity of peer groups and metrics that can be measured is almost limitless. In addition, for each peer group comparison and metric, HMP Metrics also produces the peer group mean and median values and associated record counts for each quartile within the peer group.
Statement of Qualifications

HMP Metrics will also provide the number of records (cost reports) that were excluded from the computation of that particular metric.

Patient Migration Studies (Market Share Analysis)

HMP licenses and is expert at the analysis of data contained in the Medicare Provider Analysis and Review (MEDPAR) database. MEDPAR, which is updated annually, contains over 100 data elements for all Medicare in and outpatient claims. HMP has models built to enable it to use MEDPAR as well as state level Medicaid and patient billing databases, if available, to determine hospital market share by major diagnostic category (MDC), conduct patient migration studies and prepare analysis related to allegations of fraud and abuse or other corporate compliance issues.

Hospital Financial Model

(60 Month Projected Financial Statements)

The Hospital Financial Model is a modular, yet integrated, financial model that enables the user to quickly and accurately, build operating budgets, test the financial sensitivity of alternative operating scenarios, and evaluate business risk. Using a control board that contains variable values for all key forecast assumptions, the user can quickly assess the financial impact of alternative assumptions or business risk profiles.

- Historical In and Outpatient Origin
- Definition of Historical In and Outpatient Geographic Service Areas
- Medical Staff Profile and Historical Utilization
- Competitor Profile
- Historical and Projected Inpatient Demand
- Historical and Projected Outpatient Demand
- Historical and Projected Units of Service (UOS)
- Historical and Projected Revenues and Expenses by Cost Center
- Historical and Projected Financial Statements
- Historical and Projected Key Financial Ratios
- Projected Debt Capacity

When this tool is combined with our customized data mining and analysis capabilities and used in concert with HMP Metrics, we can rapidly diagnose operating problems and opportunities and perhaps of equal or greater merit, communicate those findings to key constituencies in a clear actionable manner.

Healthcare Management Partners, LLC
Statement of Qualifications

Patient Accounts Receivable Financing Borrowing Base Calculation (BBC)

HMP has developed a process and companion financial model to enable it to very rapidly compute a hospital’s borrowing base availability for which active patient accounts receivable (or the revenue there from) are used as collateral for the underlying credit facility. The model, which takes a day or two to specifically map to an individual hospital’s patient accounting system, will enable the hospital to compute its borrowing base on a daily or weekly basis and produce a valid “Officer’s Certificate” to enable it to draw on an available credit facility.

This tool, which was created to mirror the strict documentation standards of a leading lender to the healthcare industry, was specifically designed to be used in conjunction with credit facilities drawn on a local bank or perhaps a non-financial lender (DIP lender or potential buyer of the facility) that is not regularly engaged in patient accounts receivable financing. Once installed, HMP will monitor the process on behalf of the lender on an ongoing basis.

Third Party Payor Payment Pattern Analysis

Because the database we have designed for the Patient Accounts Receivable Financing Borrowing Base Calculation or BBC Database, contains virtually 100% of all patient accounting activity (billing, collections, adjustments, etc.), it is a relatively simple matter to reorganize the data to prepare a comparative analysis of the historical payment patterns of all third party payors.

In turn, this information can be used to either address weaknesses in the Hospital’s revenue cycle management or, with the advice of legal counsel, enable the hospital to demand “specific performance” on the part of individual payors to address non-compliance with contract payment terms.

Bankruptcy Administration

In an effort to create efficiency and reduce professional fees charged to estates of healthcare providers in bankruptcy, HMP has developed the following automated tools:

- 13 and 26 Week Cash Flow Model
- Monthly Operating Report (MOR)
- Court Supervised Professional Fee Application

Customized Data Mining and Analysis

Most business transactions are now completely electronic. A strong reliance on databases and automated workflows has led to an increased demand for the collection and analysis of electronic information.
Statement of Qualifications

Our professionals offer a hands-on approach to collecting and analyzing information found in large databases and leverage our findings to create comprehensive reports used in investigations and litigation.

Our experts have worked with database formats such as Oracle, SQL Server and Informix, among others, as well as most major hospital information systems. We focus on helping clients uncover essential electronic information to help solve complex problems.

In addition, we license and are expert at the analysis of data contained in the Healthcare Cost Report Information System (HCRIS) and Medicare Provider Analysis and Review (MEDPAR) federal databases as well as state level Medicaid and patient billing databases to determine competitive cost structures, market share, and prepare analysis related to allegations of fraud and abuse or other corporate compliance issues.

Our Data Mining and Data Analysis services include:
- Identification of Key Financial Systems
- Preservation and Extraction of Financial Databases
- Damages Calculations
- Analysis of Financial Databases
- Presentation Through Reports and Graphs
- Expert Testimony
Statement of Qualifications

CLIENTS OUR PROFESSIONALS HAVE SERVED

LAW AND ACCOUNTING FIRMS
- Bird Marella LLP
- Bradley Arant Boult Cummings LLP
- Brown McCarroll, LLP
- Fulbright & Jaworski LLP
- Decosimo
- Deloitte
- Gearhiser, Peters, Lockaby, Cavett & Elliott, PLLC
- Hogan & Hartson LLP
- Hooper, Lundy, and Bookman
- Jones Day
- Kantrow, Spaht, Weaver, & Blitzer
- KPMG
- Latham & Watkins
- Mancuso & Franco PC
- Milbank, Tweed, Hadley and McCloy LLP
- Patton Boggs
- Ramirez International, Inc.
- Whiteford Taylor Preston, LLP
- Schiavetti, Corgan, Soscia, DiEdwards and Nicholson, LLP

INVESTOR-OWNED HOSPITALS OR HOSPITAL SYSTEMS
- Ameris Health Systems
- Doctors Hospital, Houston
- Doctors Hospital, Los Angeles
- HealthPlus
- Hospital Partners of America
- HealthSouth Corporation
- Hospital Corporation of America
- Hugh Chatham Memorial Hospital
- Hughston Hospital and Clinic
- Integra Healthcare
- Integrated Healthcare Holdings, Inc.
- Lakeside Hospital at Bastrop
- LifePoint Hospitals
- Monroe Hospital LLC
- Promise Healthcare
- Shasta Regional Medical Center
- St. Joseph Hospital, Houston
- Tenet Healthcare Corporation
- Vanguard Health Systems

FINANCIAL / LENDING INSTITUTIONS
- Capital Source
- CIT
- Deutsche Bank Securities Inc.
- GE Healthcare Financial Services
- Healthcare Business Credit Corporation
- Medical Property Trust (REIT)
- Stillwater National Bank
- Wachovia
CLIENTS OUR PROFESSIONALS HAVE SERVED (CONTINUED)

Home Health

- Best Choice Home Health
- Columbia Home Care

Not For Profit or Governmental Hospitals or Systems

- Baylor College of Medicine
- The Brooklyn Hospital Center
- Devereux Foundation
- Franciscan Health System
- General Health System
- Good Samaritan Hospital
- Hahnemann University Hospital
- Health Alliance of Cincinnati
- National Health Service (UK)
- Legacy Health System
- Mercy Health System
- Natchez Regional Medical Center
- New York United Hospital Medical Center
- Nyack Hospital
- Rahway Hospital
- Raritan Bay Health System
- Robert Wood Johnson Health Network
- Rotherham NHS Foundation Trust (UK)
- Sisters of Mercy Health System
- Southern Chester County Medical Center
- St. Joseph’s Medical Center
- St Vincent’s Catholic Medical Centers, New York
- Temple Health System
- Tri-Lakes Medical Center
- University Hospital Consortium of Pennsylvania

Senior Care and or Continuing Care Retirement Communities

- Grace Care of Texas
- Jenner’s Pond Continuing Care Retirement Community
- Life Care Centers of America
- Linden Ponds, Inc.
- Loretto
- Mercy Hospitals of Texas
- Monarch Landing, Inc.
- National Senior Campuses (Erickson Retirement Communities)
- Sedgebrook, Inc.
- St. Edwards (Ft. Smith, AR)
- St. Johns Nursing Home (St. Louis, MO)

Payors and Managed Care Organizations

- Blue Cross of Tennessee
- Community Behavioral Health Network of PA
Statement of Qualifications

CASE STUDIES – MANAGEMENT SERVICES

SUCCESSFUL CHAPTER XI REORGANIZATION OF A BANKRUPT TWO-CAMPUS NOT-FOR-PROFIT HOSPITAL

Turnaround Management and CRO

A sole community provider in central Mississippi filed for Chapter 11 protection three months prior to HMP being engaged. HMP was appointed as CRO by the court as the hospital was facing eminent closure.

Issues

- Due to extensive Medicaid fraud, the bankrupt facility was facing almost certain liquidation.
- Financial malfeasance and insider dealings within the management company bred a corrupt management culture.
- Overbuilt physical plant resulted in over-leveraged and unsustainable capital structure.
- Poor physician relations had resulted in the loss of key medical staff.

Approach

- Terminated predecessor Management Company.
- Eliminated programs with negative contribution margins.
- Recruited replacement ER, OB/GYN and hospitalist physicians.
- Conducted a complete forensic audit to support multi-million dollar claims against the former management company.
- Negotiated settlement with Medicaid for the forgiveness of more than $25 million liabilities due from the hospital.

Results

- $15 million reduction in operating expenses.
- Obtained releases from Medicaid to extinguish prepetition overpayment liabilities, necessary to enable the hospital to be sold as an operating entity.
- EBITDA improvement of $8mm in first two years and patient volumes restored to pre-bankruptcy levels.
- Restored respect within the medical community.
- Convinced local disenfranchised quality physicians to bid on the hospital with a joint venture partner.
- Conducted a successful Section 363 sale of the hospital.
Statement of Qualifications

SUCCESSFUL CHAPTER IX REORGANIZATION OF A FINANCIALLY DISTRESSED COUNTY-OWNED HOSPITAL
Turnaround Management and CRO

The board of a county-owned 179 bed general acute-care hospital needed to replace the management of the facility on an emergency basis. HMP was brought in to stabilize and restructure the financial and clinical operations of the hospital and to prepare for the possibility of filing for Chapter 9 bankruptcy.

Issues
- Unsustainable operating costs, especially salaries and benefits. Monthly losses were exceeding $1 million per month in the first quarter 2008.
- Less than seven days cash on hand.
- Inefficient capital and legal structure.
- Loss of key medical staff in the market.
- Physician contracts in violation of Stark guidelines.

Approach
- Terminated the predecessor national hospital management company which had been in place for over fourteen years.
- Reduced staffing levels by 30% in less than two months.
- Canceled or renegotiated all physician contracts and other vendor contracts, as necessary.
- Negotiated waivers from the bond trustee to enable the hospital to secure a $4.5 million line of credit to fund short term working capital needs.
- Redesigned and modified charge master to optimize revenue capture.
- Developed and executed effective marketing strategy based on the needs of the surrounding community.
- Recruited or replaced ER, Radiology, Pathology, Cardiology, General Surgery and Orthopedic Surgery Physicians.
- Successfully used a Chapter IX reorganization to reject contracts and leases and restructure almost $4 million in old trade payables into a three year note.

Results
- Returned hospital to profitable operations in one year.
- Successful Chapter IX reorganization with all approved claims being settled at par.
- Successful restructuring of a number of physician joint ventures, including two imaging centers and various office facilities.
- Full compliance with Medicare regulations for all physician contracts and relationships.
Statement of Qualifications

SUBURBAN NOT-FOR-PROFIT HEALTHCARE SYSTEM WITH A DISTRESSED CONTINUING CARE RETIREMENT COMMUNITY
Turnaround Management and CRO

A small suburban healthcare system with eight operating units, including a general acute care hospital and a 600 resident continuing care retirement community (CCRC) which was under development, was experiencing severe financial distress due to declining patient volumes and an inappropriate capital structure to fund the construction of the CCRC.

Issues
- All eight operating units were experiencing negative EBIDTA margins due to inefficient staffing and poor operating model.
- CCRC’s capital structure did not provide sufficient capital to fund the construction of both individual resident units and campus infrastructure.
- Low morale among nursing and medical staffs due to lack of management focus on quality improvement and training.
- Adversarial relations with local government over zoning and related issues.
- Cumbersome and costly management and governance structures.
- Serious corporate compliance issues resulting from incorrect patient coding and billing.

Approach
- Sold or closed six of the eight operating units.
- Combined the hospital and the CCRC into a single corporation to create the asset base necessary to recapitalize the CCRC. Refinanced all existing debt and created the capacity to build out the CCRC.
- Replaced the existing hospital management with skilled staff.
- Immediately focused on patient quality care and staff training.
- Voluntarily disclosed corporate compliance issues to the US Department of Justice.
- Expanded patient service offerings, including opening the first new inpatient OB program in the market in more than 30 years.
- Developed an effective sales and marketing programs for the CCRC.

Results
- Hospital was returned to profitability and successfully sold to a national publicly traded hospital company at a significant profit which was invested in a community foundation.
- On time and on budget completion of the CCRC including full occupancy of the independent living units and construction and occupancy of the assisted living and skilled nursing units. Sale of the CCRC to a regional not-for-profit operator of similar communities.
- Returned all facilities to full accreditation and licensure compliance.
- Settlement of all claims with Medicare and Medicaid without payment of penalties or interest or the requirement for a corporate integrity agreement.
Statement of Qualifications

TEXAS NURSING HOMES
Turnaround Management and CRO

A chain of six skilled nursing facilities defaulted on its debt with a large commercial healthcare lender. The lender engaged HMP to assess the viability of the provider and chart a possible turnaround. Ultimately, the lender foreclosed on the loan and engaged HMP as the turnaround agent.

Issues
• $2.5 million negative EBITDA due to inefficient staffing and poor operating model.
• Low occupancy due to low patient satisfaction, ineffective marketing and obsolete physical plants.
• Low morale among nursing staff due to lack of management focus on quality improvement and training.
• Lender was looking at a near total loss under the existing conditions.

Approach
• Consolidated two underperforming homes in the same market.
• Immediately focused on quality care and staff training.
• Implemented efficient staffing models to reduce costs.
• Developed an effective sales and communications strategy to effectively reach providers in each local market.
• Modernized and improved the physical plant to enhance the resident experience.

Results
• $3.5 million EBITDA improvement.
• Returned all facilities to full accreditation and licensure compliance.
• Facilitated the successful sale of the facilities by the lender.

INVESTOR OWNED SPECIALTY HOSPITAL COMPANY
CRO Services and Sale of the Facilities

A chain of two inpatient rehabilitation hospitals in adjoining states defaulted on its debt with a large commercial lender and a privately held healthcare lender, and was ultimately forced into Chapter XI liquidation. HMP was engaged as CRO in bankruptcy to manage the facilities and conduct the required Section 363 sale.

Issues
• Due to poor financial and operational mismanagement, the company faced immediate liquidation unless a sale could quickly be brokered.
Statement of Qualifications

- Overbuilt physical plant resulted in over-leveraged and unsustainable capital structure.
- Inexperienced management had been hired to develop a national company while at the same time overseeing the startup of a new facility located in a very competitive market.
- Development of competing nearby facilities resulted in key physician admitters splitting their practices with those other locations.

Approach
- Immediately secured DIP financing from the large commercial lender and established an agreed upon mechanism for accessing funds,
- Terminated remaining management and removed company owners from the facility,
- Initiated staff reductions and a hiring freeze, reviewed and approved all purchasing decisions
- Compiled existing marketing materials and financial data for distribution to parties interested in potential acquisition of the hospitals,
- The CRO oversaw all marketing efforts to these potential purchasers. Debtor’s counsel, with support from the CRO, oversaw the auction and resulting negotiation and sale.

Results
- The two rehabilitation hospitals remained open through the completion of the sale and change of ownership, thereby insuring uninterrupted patient care, the maximum value to the secured and unsecured creditors, and continued employment for the work force.
- Full compliance with all state and federal regulatory issues throughout the transition.
- The sale was completed in less than four months from the date of filing for Chapter 11 bankruptcy.
Statement of Qualifications

CASE STUDIES – FINANCIAL ADVISORY

ERICKSON RETIREMENT COMMUNITIES, INC.
NATIONAL SENIOR CAMPUSES
Financial Advisory

In conjunction with the bankruptcy and ultimate sale of Erickson Retirement Communities, Inc. (ERC), HMP was engaged as financial advisor to National Senior Campuses (NSC), the not-for-profit counterparty at eighteen of the twenty ERC managed communities. At the time of the ERC bankruptcy, the NSC communities had over 22,000 residents and total assets in excess of $4 billion. The NSC communities were located in twelve different states, each with a unique regulatory environment.

Issues

- NSC was paying ERC over $40 million per year to manage its communities. These contracts represented the most valuable asset in the ERC estate.
- At the time of the ERC bankruptcy, NSC had advanced to ERC over $1.2 billion “Community Loan Obligations” to fund the continuing construction of twelve NSC communities which were then under development.
- Additionally, three NSC communities had advanced ERC an aggregate of over $600 million in tax-exempt bond proceeds to as a purchase deposit to be applied against the ultimate purchase of the real property.
- Excluding amounts owed to the NSC communities, ERC had commercial debt totaling more than $1.2 billion, which was spread across multiple overlapping banking syndicates with a total of 59 separate participants.
- For the twelve NSC communities then under development by ERC, each community’s claims were legally subordinated to those of the banks and bond holders. Also, the community’s licenses and resident and care agreements were pledged as collateral under its development agreements with ERC.
- Potential that the ERC obligations, including “Resident Purchase Refund Rights” would be rejected or modified in a foreclosure or bankruptcy proceeding.
Statement of Qualifications

Approach

- Terminated and renegotiated management contracts at all NSC communities into 30 day contracts which must be “affirmatively” renewed each month by each community to be extended for another 30 day period.
- Created an option for an “NSC Owned Management Company” as an alternative to ERC and secured a commitment from the eighteen community boards of directors to move forward if favorable terms could not be secured in the ERC bankruptcy and sale.
- Met with state regulators and secured commitment for a “Resident Centric” approach to any restructuring.
- Developed new master management and development contracts, which would be acceptable to the NSC communities as long-term contracts. This approach was designed to communicate to ERC’s creditors and the potential buyers of ERC that the communities would be willing to commit to valuable long term agreements provided that they had a prominent role in the process.

Results

- Services were provided during the bankruptcy and sale on an uninterrupted basis for the 22,000 NSC residents
- NSC was able to dictate the terms of sale of ERC, in exchange for entering into ten year management contracts with the buyer. The new contracts included substantial new protections for the communities and their residents, including the right to terminate the agreements if stringent financial performance, employee and resident satisfaction criteria are not met by the new buyer.
- Designed and implemented a new business model for the financing of developing communities which provides a very specific guarantee of the individual resident’s rights under the existing “Residence and Care Agreement” and obligates the developer to provide and repay working capital for the developing community prior to the collection of any cash rents.
- Reinstated all $1.2 billion of “Community Loan Obligations.”
Statement of Qualifications

BEHAVIORAL HEALTH MANAGED CARE COMPANY
Company Advisor for the Strategic Assessment and Successful Sale of the Company

In the notoriously difficult field of behavioral health managed care (BHMCO), one not-for-profit provider owned organization grew into a major player in the Northeast by developing and executing an innovative care management model for behavioral health and developmental disabilities in partnership with government and commercial payers. Eager to reach more patients by expanding nationally, the BHMCO brought in Healthcare Management Partners as its financial and strategic advisor to examine its market position and capital structure and develop a plan for taking to expand nationally.

Issues
• The organization was corporately organized as a charitable not-for-profit cooperative which could not be sold or merged into another entity.
• Changing the corporate form would require the unanimous consent of the 48 existing members of the cooperative and the state attorney general.

Approach
• Analyzed critical trends in behavioral health; especially behavioral health managed care and the applicable Medicaid and Medicare rules and regulations.
• Converted the company from a not-for-profit provider owned Pennsylvania Cooperative Corporation to a for-profit stock corporation.
• Conducted a sales process to find a national strategic partner with a proven record for working with state Medicaid programs and delivering quality patient care to the developmentally disabled and ready access to the capital and appropriate insurance licenses necessary to facilitate rapid expansion across state lines.

Results
• The company was successfully converted to a for profit stock company.
• The company was sold to the largest provider of Medicaid managed care in the nation for an above market price.
• The small group of community based provider organizations which were the original owners of the company received $40 million in exchange for their stock which they in turn could invest in their continuing charitable missions.
Statement of Qualifications

PUBLICLY TRADED HOSPITAL SYSTEM
Advisor to the Public Accounting Firm for the Initial Audit and Preparation of Form 10K

A publicly traded shell company which recently acquired four general acute care hospitals in southern California chose new independent accountants. The accounting firm was experienced in the audit of publicly traded companies but had never audited a healthcare provider. The new accounting firm engaged HMP to assist it in the conduct of its initial audit of the company and preparation and review of the initial SEC Form 10K.

Issues
- Recruitment, training and supervision of the accounting firm’s professional staff,
- Application of Generally Accepted Accounting Principles (GAAP) and Generally Accepted Auditing Standards (GAAS) to the engagement, and
- Timely completion and filing of the Form 10K.

Approach
- Developed and documented a specific plan for the audit of the hospital specific components of the engagement.
- Assisted in the recruitment and training of all assigned professional staff.
- Directed on site, the fieldwork for the hospital specific components of the audit engagement.

Results
- Significant accounting issues related to the misclassification of an over $300 million per year patient accounts receivable factoring operation were identified and addressed in the audit report and Form 10K filing.
- Audit was timely completed and the Form 10K filed

300 BED COMMUNITY HOSPITAL
Hospital Advisor on Long Term Debt Restructuring

A struggling community hospital, unable to access the capital markets due to outdated and cumbersome tax-exempt bond covenants, engaged HMP to assist it in developing and implementing a strategy to secure sufficient capital to invest in new programs and facilities.

Issue
- Existing bond covenants which tied up significant cash in a debt service reserve fund and severely limited additional borrowing.
Statement of Qualifications

Approach
- Evaluated the hospital's existing financial condition and documented the prospective financial impact of the proposed strategic capital investment.
- Documented and secured board approval for a proposed new capital structure for the hospital.
- Solicited proposals to refinance the existing tax-exempt debt and provided the needed additional capital from commercial banks.
- Advised the hospital on the proposals received and assisted in negotiating the final loan terms.

Results
- Hospital timely closed on the required borrowing on favorable terms.
- The hospital is now the most profitable in its market.

DEUTSCHE BANK'S HOME HEALTH CARE SERVICES GROUP

Analysis of Proposed Changes to the Federal Payment Structure for Home Health Agencies

With the Centers for Medicare and Medicaid Services (CMS) proposing to cut home health spending by more than $6 billion over five years, Deutsche Bank's Home Health Care Services Group needed to assess the impact on investor owned home health provider companies that it tracks for investors. Deutsche Bank enlisted the expertise of HMP to analyze the highly complex proposed changes.

Issues
- How to model the proposed changes in the federal payment system.
- Completing the process in a timely manner so that it provides investors with information that has strategic value.

Approach
- Developed a multi-year data base of all Home Health Agency Medicare Cost Reports filed with CMS. This approach equipped the bank and HMP with the same data set being used by the regulators.
- HMP sorted and organized the information to analyze it by investor owned company and developed regional peer groups.
- HMP and Deutsche Bank team pulled together hundreds of data elements for the analysis, with a focus on such key metrics as episodes, visits and unit revenue. In turn, it modeled the financial impact of the proposed rule changes.

Result
- Deutsche Bank was able to develop revised earnings estimates for the home health sector and beat its banking competitors in issuing a highly focused report to investors.
Statement of Qualifications

SECURED COMMERCIAL LENDERS TO HOSPITALS AND HOSPITAL SYSTEMS
Creditor’s Financial Advisor

HMP has been retained by a number of large commercial lenders to act as their advisor in conjunction with the workout of secured obligations owed by both investor owned and not-for-profit hospitals and health systems. These assignments have included debt restructurings both in and out of bankruptcy.

Issues
- Debt covenant compliance
- Adequacy of the debtor hospitals business plans and management and their potential impact on the institutions ability to service the debt in question
- Quality of clinical operations, including the adequacy of medical and nursing staffs
- Medicare and/or Medicaid Fraud and Abuse

Approach
- Review the current situation with the secured lender’s workout team.
- Have a Managing Director who is also an experienced hospital CEO, tour the facility, interview key members of the Hospital management, medical staff and board of directors, and evaluate current business plans and financial performance.
- Prepare a written assessment of the current situation for the secured lender, including specific action steps to collect or better secure the funds lent.

Result
- In every incidence to date the secured lender has made a full recovery.
Statement of Qualifications

CASE STUDIES – LITIGATION SUPPORT AND EXPERT TESTIMONY

“BIG FOUR” ACCOUNTING FIRM

Expert Testimony

A “Big Four” public accounting firm was the named defendant in a certified class action by the shareholders of a large public hospital management company for allegedly failing to conduct its examination of the company’s financial statements in accordance with generally accepted auditing standards (GAAS) in that the audited financial statements failed to adequately disclose alleged overbilling of Medicare by the company. HMP was engaged as the defendant accounting firm’s healthcare industry and accounting expert.

Issues
• The company which was originally named in the suit had already settled the case with the class actors for several hundred million dollars.
• Additionally the company had made substantial settlement on the same or related issues with CMS and the SEC; these two settlements aggregated almost $1 billion.
• The alleged misconduct by the company took place at more than 100 hospitals over a four year period.
• The accounting firm was aware of the Medicare reimbursement practices followed by the company and strongly maintained that their presentation in the company’s financial statements was in accordance with then existing generally accepted accounting principles (GAAP) for hospitals and healthcare providers.

Approach
• Using publicly available hospital data and HMP’s expertise in Medicare reimbursement and hospital finance, HMP developed a proprietary statistical model to analyze more than 50,000 Medicare cost reports filed during an eight year period to definitively determine if other hospitals or health systems had engaged in Medicare reimbursement strategies similar to those employed by the company.
• Through its statistical modeling, HMP determined that the alleged overbilling of Medicare by the company was in fact a commonly practiced by approximately 20% of all hospitals during the relevant period.
• HMP then selected the “Top 200” hospitals that it identified as having practiced the alleged overbilling and examined their audited financial statements and/or SEC Form 10K, in the case of publicly traded hospital management companies, to determine if their independent accountants had treated the matter differently that the company. A total of almost 800 sets of financial statements were examined.
• HMP produced an expert report supporting its findings, including providing a detailed explanation in “layman’s terms” of the applicable Medicare rules and regulations.
• An HMP Managing Director attended the depositions of the plaintiff’s experts and was himself examined by plaintiff’s counsel.
Statement of Qualifications

Results
- Almost 2,000 different hospitals, including some of the best known in the country and many owned by publically traded hospital management companies, were documented to have practiced the same billing practices as those of the company.
- Of the almost 800 sets of audited financial statements examined by HMP and audited by national accounting firms other than our client, none reported on the matter differently than our client accounting firm.
- During the relevant period, not a single publically traded hospital management company which participated in like conduct was found to have disclosed the matter differently in its form 10K filed with the SEC.
- The client and its outside counsel successfully negotiated the matter out of court for a fraction of estimated defense costs.

NATIONAL LONG-TERM CARE PROVIDER

Damages expert

The nation’s largest privately owned provider of long term care, with over 200 facilities located in 29 states, engaged HMP to evaluate the economic damages associated with an identified long term pattern pricing errors for drugs supplied company’s institutional pharmacy vendor.

Issues
- The dispute revolved around the interpretation of contract terms, as well as the inconsistent application of those terms across more than 200 nursing homes located in 29 states over an eight year period.
- Because of the nature of the pharmaceutical business and its complicated pricing structures across state Medicaid programs, the assignment was very data intensive and involved the statistical sampling of millions of individual pharmacy records and detailed review of those samples.
- The institutional pharmacy had completed numerous acquisitions of small or regional competitors over the relevant period resulting in the existence many different accounting systems being used.

Approach
- HMP engaged a forensic economist from one of its corporate partners and together created a new pricing database utilizing the contract terms and the published pharmaceutical pricing per industry guidance.
- Developed a damage calculation using accepted statistical algorithms applied to the new database.
Statement of Qualifications

Result
• The client and its outside counsel successfully negotiated the matter out of court.

NOT-FOR-PROFIT MULTI-HOSPITAL SYSTEM

Healthcare Industry Expert

A successful multi-hospital system, located entirely in a highly competitive state with no certificate of need (CON) requirements, had initiated a suit against a national hospital management company to recover damages resulting from the management company's gross negligence. Under the prior contract manager's supervision, the system's financial condition had dramatically deteriorated and the system was unable to gain access to long term debt financing to fund a planned hospital expansion in an important and rapidly growing market. As a result, the hospital lost key physician practices and market share to a large nearby competitor. HMP was engaged to determine the precise amount of operating profits lost as a direct result of the management company's failure to perform.

Issues
• How to quantify the effects of the market shift and patient migration due to the resulting lack of capacity at the hospital in question.
• Marginal cost that would have been associated with the lost volume.
• Political sensitivity of the physicians involved.

Approach
• Using publicly available data sources, HMP built a database of all inpatient admissions for the entire state for the relevant six year period.
• Using this database, HMP was able to determine actual patient admission patterns by hospital, physician, payor and DRG.
• Each physician on staff whose admitting patterns were documented to have changed during the relevant period was interviewed by an HMP Managing Director with extensive experience as a hospital CEO to confirm the specific reasons for the change in referral patterns, which were then documented.
• HMP developed a statistical model to establish the mathematical relationship between individual physician's inpatient utilization and outpatient utilization.
• The documented lost inpatient and outpatient volumes by payor were input into HMP's Hospital Operating Model to determine an accurate assessment of lost net patient revenue, marginal cost, and marginal profit for the relevant six year historical period as well as projected losses for an additional four years.

Result
• The client secured a settlement that compensated it for the projected lost operating profits.
Statement of Qualifications

POST-ACQUISITION PURCHASE PRICE DISPUTE

Arbitrator

The Buyer and seller of a new community hospital were unable to reach an amicable settlement of a dispute regarding the purchase price working capital adjustment. The working capital adjustment was to be based on the hospital’s audited financial statements and a separate Working Capital Agreement. Rather than rely on an arbitration panel that might not be familiar with the nuances of the hospital industry or hospital accounting issues, both parties chose to have their case heard and decided by HMP.

Issues

- Valuation of patient accounts receivable.
- Balance sheet classification of amounts due to Medicare related to overpayment for Medicare Outliers.
- Reclassification of a very large equipment lease from an operating to capital lease and the resulting impact on reported working capital.
- Proper classification on a long-term note that was in default as at the audit date.

Approach

- Developed a working knowledge of the relevant contracts and agreements.
- Organized the arbitration process, including establishing the calendar for discovery, exchange of expert reports, etc.
- Ruled on various pre-hearing motions by the parties.
- Presided over a two day hearing in which both sides presented testimony.

Result

- HMP rendered a reasoned opinion based on expert knowledge of the accounting and healthcare industry issues raised by the parties.
Statement of Qualifications

DISTRESSED TAX EXEMPT BOND FUND

Fraud Investigator

A very large distressed tax exempt bond fund purchased all of the then outstanding bonds issued on behalf of a then defunct urban nursing home chain for less than 1.5% of par. The bonds had been issued to finance the purchase of three large nursing homes by a university hospital system. All of the nursing homes were closed within three years of the acquisition. Prior to selling the bonds, the bond trustee had tried unsuccessfully to build a legal case to hold the university hospital system directly responsible for repaying the bonds. HMP was engaged to assist counsel in building a case demonstrating that the university hospital system was directly responsible for the failure of the nursing homes through its own gross negligence.

Issues

- All of the nursing homes had been closed for more than three years at the time HMP was retained.
- Over two million pages of documents that were produced as part of the original suit by the bond trustee was available but in a highly disorganized manner.
- Each of the homes had been effectively closed by the state regulators for failure to meet basic patient care and life safety standards.

Approach

- HMP engaged a geriatrician and other geriatric clinical experts to assist in the investigation.
- HMP staff and legal counsel used multiple methods, including advertisements in the local media, to locate former managers, members of the medical and nursing staffs, state regulators who inspected the facilities, and former patients and members of their families.
- HMP conducted several hundred interviews with former staff, management, patients and state inspectors to document their perception of conditions within the facilities and the causes for their rapid decline and ultimate failure.
- An HMP Managing Director with extensive experience at the C Level with both university and multi-hospital health systems closely examined the sponsoring systems direct role in the management and governance of the nursing homes.
- HMP collaborated with counsel to combine the clinical aspects of the facility’s decline with the parallel management and governance failures to create a compelling argument as to the specific causes for the facility’s failure.

Result

- The bond fund and the university hospital system reached a settlement out of court that yielded a return in excess of 50% of par.
Statement of Qualifications

CREDITOR’S LITIGATION TRUST
Testifying Expert – Hospital Turnaround Management

The creditor's litigation trust (the “Trust”) for the estate of a bankrupt not-for-profit multi-hospital system (the “System”) engaged HMP to provide advice and expert testimony in support of its corporate malpractice litigation against the former turnaround management firm, the members of that firm who served as officers of the System, and the former special bankruptcy counsel to the System.

Issues
• Was the turnaround management firm grossly negligent in the conduct of its responsibilities?
• Did the parties actively withhold vital information from the System board of directors solely to protect their private economic interests?
• The Trust which was created as part of the approved plan of reorganization in the bankruptcy had limited resources to investigate the matter.

Approach
• HMP reviewed all reports produced by the turnaround firm during its 21 month tenure at the System including all board and board committee minutes for the period.
• HMP reviewed the work plans executed by the turnaround firm and the resulting written work product to determine if they met with acceptable standards for the professional turnaround management of a complex health care provider.
• HMP worked closely with counsel and the Trusts damages experts to quantify the damages resulting from the defendant’s gross negligence.

Result
• The Trust secured a very favorable out of court settlement with each of the defendants.

NATIONAL TOP TEN MEDICAL COLLEGE
Testifying Expert – Hospital Operations and Faculty Practice Plan Financial Management

In the course of terminating a fifty year academic affiliation, a prominent hospital system and a medical college were caught in a dispute over the ownership of certain faculty practice, endowment and research funds held by the parties that aggregated more than $150 million. HMP was retained by the medical college to research the source and uses of those funds and opine as to the ownership of each individual fund.

Issues
• Because of the length of the relationship, many of the funds had little formal documentation governing the ownership of the funds or the distribution of the funds in the event that the relationship was terminated.
Statement of Qualifications

- Because many of the funds had evolved over many years as both parties expanded their respective operations, the source and use of cash flowing through the funds over many years had to analyze.

Approach
- HMP utilized its accounting knowledge and expertise in the inner workings of hospital finance to determine the flow of funds and ultimately the ownership of those funds.
- Our approach was to “follow the money” to its source and determine what actions generated the funds, what the intent of the payor or donor was, as well as how the funds were historically accounted for by both parties.
- HMP prepared an expert report and one of its Managing Directors, testified for two days and also attended all fifteen days of the arbitration proceeding where he assisted counsel.

Result
- The matter was settled for an undisclosed amount.

MULTI-HOSPITAL NOT FOR PROFIT SYSTEM
Consulting Expert – Medicare Fraud and Abuse

The heart hospital of a regional multi-hospital system was under government investigation stemming from a qui tam action alleging violations of the anti-kickback statute. The cardiologists on staff were being scheduled time at the diagnostic unit (heart station) based on case volume admitted to the hospital. HMP was asked to review the available information to assess any trends or patterns and advise the hospital and counsel in the course of the litigation and provide expert testimony as needed.

Issues
- The relator was a former cardiologist who had been terminated by the group.
- The perception of wrong doing was high because for a long period, access to the heart station was mathematically based on the invasive cardiology volume referred to the hospital by individual cardiologists or their group practice.
- Basing coverage of the heart station on volume is not unusual because this assigns the work to the physicians that are most likely to be in the hospital.
- Did the assignment to the heart station actually change any cardiologist’s hospital referral patterns?
Statement of Qualifications

Approach
- HMP obtained a database of admissions for the years in question.
- Using its extensive data mining capabilities, HMP was able to evaluate competitor patterns, compare alternate methods of allocating time at the diagnostic unit, and review the more than 86,000 individual claims for certain criteria that should have excluded them from the investigation.

Result
- The system and the government successfully negotiated a settlement out of court.

NATIONAL INVESTOR OWNED LONG TERM ACUTE CARE MULTI-HOSPITAL COMPANY

Internal Medicare Fraud Investigator

During an internal review of the Medicare cost reports for two of its hospitals, the company noted a very unusual and material increase in reported telemetry charges. The increase in telemetry charges resulted in more than a $10 million increased Medicare outlier payments for a single year. HMP was engaged by the hospital’s regulatory counsel and asked to review the medical necessity and documentation of the charges to ensure that they would be supported in the event of an audit or review.

Issues
- The hospitals had both been acquired the preceding year and converted from general acute care to long term acute care hospitals.
- The charge master in use at the time of the acquisition was not changed when the hospital was converted to an LTACH.
- The hospital rapidly expanded its telemetry capacity during the period in question.

Approach
- HMP engaged a geriatrician and other geriatric clinical experts to assist in the investigation.
- The geriatrician performed a detailed chart audit of 50 randomly selected medical records to evaluate the clinical appropriateness of the use of telemetry.
- HMP performed a 100% review of all patient medical records to determine if telemetry was documented as medically necessary in the medical record.
- HMP then used this information to recalculate the outlier payment to determine the amount (if any) of overpayment.
- HMP determined that the majority of the telemetry charges were either medically unnecessary or not clinically supported in the patient’s medical record. HMP further determined that the amount of the telemetry charge was similarly unsupportable on any basis other than as a means to maximize Medicare outlier revenues.
Statement of Qualifications

Results
- The information was submitted to hospital counsel for further investigation and proper disposition.
- Documentation issues were reviewed with management to discuss additional training and procedures to ensure strict compliance with documentation requirements.

GENERAL ACUTE CARE HOSPITAL
Expert Testimony – Accounting Malpractice

The hospital brought suit against its former “Big Four” accounting firm for failing to conduct its examination of the hospital’s financial statements for three consecutive years in accordance with Generally Accepted Auditing Standards (GAAS).

Issues
- Valuation of patient accounts receivable.
- Accounting treatment and financial statement disclosure of a material subsequent event.
- Required communications to the hospital’s board of directors by its independent accountants.

Approach
- HMP reviewed the accounting firm’s work papers for the years in question.
- Interviewed members of hospital management.
- Reviewed selected work papers and analysis prepared by the hospital’s successor auditors.
- Prepared an expert report, which hospital counsel elected to voluntarily provide to the accounting firm’s legal counsel.

Result
- After reviewing HMP’s report, the accounting firm, requested non-binding mediation, at which a negotiated settlement was promptly reached.
Statement of Qualifications

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(267) 804-3885 Mobile
(215) 689-4386 Fax
sphillips@hcmpjlc.com

Scott Phillips, Managing Director

Scott has more than 30 years of healthcare industry management and consulting experience. Prior to founding HMP in 1997, he served as the president and chief executive officer of the 636-bed Academic Medical Center, as national partner and regional healthcare practice director for Touche Ross & Co., and as the chief financial officer of a faith-based multihospital system operating 12 hospitals across seven states.

Scott has significant management and consulting experience with government, tax-exempt and investor-owned healthcare service providers. He understands the organization and delivery of high-quality health services, including the role of corporate and medical staff governance during difficult periods of transition. Scott has executive level experience with mergers, acquisitions and turnaround situations, including restructuring in bankruptcy. In all of his many healthcare provider turnaround assignments, he has successfully designed and implemented plans that simultaneously added patient volume and revenues while conserving cash and reducing unit costs. He understands this approach builds on the organization’s strengths and attracts the support of the local community and medical and nursing staffs, which is essential for the long-term provision of quality healthcare services.

Over the past several years, Scott has served as the chairman and CEO of an investor-owned healthcare provider with operations in 15 states and chief executive officer of a publicly traded medical staffing company with more than 2,000 employees. Both turnaround assignments included the crises management of complex organizations in the early stages of high profile criminal and civil fraud investigations by multiple federal agencies.

Scott has expert knowledge of the bankruptcy process as well as its implications and obligations on an operating provider of healthcare services. He recently led the successful financial turnaround and Chapter 9 reorganization of a 179-bed county-owned hospital.

Recently he was the financial advisor to 18 of the tax exempt continuing care retirement communities with more than 20,000 residents in twelve states, affected by the bankruptcy and sale of Erickson Retirement Communities.

Scott graduated from the University of Florida with a Bachelor of Science in accounting. He is a licensed certified public accountant (inactive status) and member of numerous professional organizations. He is currently serving Leader Special Projects, Healthcare Committee, American Bankruptcy Institute.
Statement of Qualifications

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Building 8, Level 2, Suite 8210
The Woodlands, TX 77380
(713) 968-6521 Office
(214) 701-9990 Mobile
(866) 422-6176 Fax
mmorgan@hcmpllc.com

Michael Morgan, Managing Director

Michael is a former hospital chief executive officer with more than 30 years of experience in healthcare management. He brings expertise and talent for turning around ailing healthcare providers and optimizing healthy organizations.

In his 25-year career at the Sisters of Mercy Health System, Michael was responsible for turning around five of the system’s 19 hospitals. He served as president and chief executive officer for several Sisters of Mercy hospitals, including St. John’s Mercy Health Care, which has an excess of $800 million in operating revenues, employs more than 8,000 individuals and includes the system’s flagship 957-bed teaching hospital. As the CEO, he has set successful new strategies, improved clinical and administrative operations and changed organizational cultures. His trademark is developing capable management teams that in turn increased service quality, employee and medical staff satisfaction, patient volume, profitability and maximized cash flow.

After leaving the Sisters of Mercy system, Michael served as the chief restructuring officer and CEO for a two-hospital, investor-owned system in Texas. In eight months, he led the successful turnaround, emergence from bankruptcy and recapitalization of the hospitals by a physician-led limited partnership. He led the turnaround of a chain of five nursing homes in Texas and the bankruptcy turnaround of a two-campus, acute-care hospital in Mississippi. He was the oversight MD for a two campus rehab and specialty hospital chapter 11 bankruptcy. Recently served as the CRO for three individual CCRC’s under a large CCRC management company bankruptcy. Provide financial advisory services for a large investment banking group on a 500 bed hospital system.

Michael holds a Bachelor of Science in business administration from the University of Science and Arts of Oklahoma and a Master of Science in business administration from the University of Central Oklahoma. He is a fellow of the American College of Healthcare Executives and has served as an officer or director of numerous hospitals and business organizations, including a 280,000-member for-profit health insurance plan.
Statement of Qualifications

243 East Glenn Drive
Phoenix, AZ 85020-4862
(602) 363-1140 Mobile
(866) 794-9501 eFax
bbuchanan@hcmpllc.com

Bruce Buchanan, Managing Director

Bruce has more than 30 years of experience in the healthcare field and is a senior healthcare executive with a successful track record in both the not-for-profit and investor-owned sectors. He possesses multimarket experience at the hospital and health system chief executive officer level. He has deep experience and expertise in revenue growth, physician collaboration/integration, organizational development, productivity improvement and quality enhancement.

Before joining HMP, Bruce served as CEO of Phoenix Baptist Hospital, where he turned around the distressed 236-bed teaching hospital by reducing operating costs while enhancing the quality of care. Bruce led a similar turnaround of Northeast Baptist Hospital in San Antonio, including recruiting new physicians, doubling the hospital’s physical space and growing market share. He also served as president and CEO of Atlanta Medical Center and Mercy Health System Oklahoma and its Mercy Health Center in Oklahoma City. Bruce held senior management positions with Hillcrest Healthcare System and Saint Joseph Hospital and worked for Invalesco Group as an operations consultant to healthcare organizations.

Most recently with HMP Bruce served as Chief Restructuring Officer for a rehabilitation hospital company with two facilities. He successfully led the company through a Chapter 11 bankruptcy process and a Section 363 sale to a new, privately held owner. He also served as CEO of a county hospital and guided it through a Chapter 9 bankruptcy, which resulted in all unsecured creditors receiving three year notes for full payment plus interest.

Bruce has a Bachelor of Arts in sociology from Princeton University, a Master of Health Services Administration from University of Michigan, and a Master of Business Administration from George Mason University. He is board-certified in healthcare management and a Fellow in the American College of Healthcare Executives. He also holds membership in the Turnaround Management Association.
Statement of Qualifications

569 Brookwood Village, Suite 901
Birmingham, AL 35209
(205) 202-0459 Direct
(615) 584-0719 Mobile
(615) 523-1835 Fax
dpierce@hcmpllc.com

Derek Pierce, Managing Director

Derek has over 20 years of professional experience focused solely in the healthcare industry having served as chief financial officer, chief restructuring officer, director of reimbursement, court-appointed examiner, Medicare auditor, Medicare cost report preparer, forensic accountant, compliance consultant, financial auditor, and financial advisor. He has audited, managed and consulted with all types of healthcare providers including government owned, community not-for-profit, academic, and investor-owned entities.

Most recently, Derek served as the restructuring chief financial officer of a two-campus, not-for-profit hospital in Chapter 11 bankruptcy. In addition to his CFO responsibilities, he led the Section 363 sale process and conducted a forensic review into the circumstances that led to the hospital's bankruptcy filing. Throughout the project, Derek worked closely with senior lenders, debtor-in-possession lenders and the applicable federal loan program to a successful plan of reorganization.

Starting his career with the Medicare fiscal intermediary as a Medicare auditor, Derek developed deep expert knowledge of the patient revenue cycle, third-party contracting, Medicare and Medicaid rules and regulations. He is expert in the areas of corporate and regulatory compliance and forensic accounting in conjunction with the defense of civil and criminal fraud claims or allegations. He led teams conducting forensic analysis in support of settlement negotiations with the government at both Hospital Corporation of America (HCA) and HealthSouth Corporation, two of the largest and most complex civil fraud settlements in history.

Derek has served as an interim COO of a Chapter 11 investor-owned medical practice and home health company operating in fifteen states. During this assignment, he negotiated the settlement and release of Medicare civil fraud claims enabling the successful Section 363 sale of the company's operating units. Derek has also served as financial advisor to the official committee of unsecured creditors for a large urban teaching hospital in bankruptcy.

In his career, Derek has led or participated in interim management and consulting assignments for more than 40 healthcare providers, including Baptist Memorial Health Care, National Health Service (United Kingdom) Washington Hospital Center, Lifepoint Hospitals, Tampa General Hospital, Legacy Health System and IASIS Healthcare.

Prior to joining HMP as a managing director, Derek was a Director with Alvarez & Marsal in its New York based Healthcare practice. Before that, he was a senior manager with Arthur Andersen in its Atlanta based healthcare consulting practice.

Derek is a graduate of Samford University with a Bachelor of Science in accounting and is a member of numerous professional associations.
Francis Cauffman

About Francis Cauffman

Francis Cauffman is a source of new ideas for positive change. We are a pluralistic global practice that integrates knowledge of architecture, the arts, and human activities. We embrace complexity as the basis for contemporary, high-performance and innovative projects. We work consistently and communicate openly with our clients to realize their new futures.

Francis Cauffman is a knowledge-based firm, informed by research in all areas of its practice, focusing especially on programmatic hybrids, healthcare, corporate, workplace, science, technology, and higher education. Utilizing contemporary technologies, we design sustainable and multi-functional buildings that embody our clients’ work and also advance it. Our culture has led to industry and peer recognition for innovative design, planning and delivery.

Given a known set of specific parameters for each project, we push the boundaries of conventional practice with new ideas that change the common understanding of what is possible.

Foundations

Culturally, four basic principles drive the practice:

Communication | Knowledge | Invention | Connection

We believe knowledge begets positive change. Our talented professionals, from a broad array of disciplines, are constantly exploring new ideas as they relate to project type and program. We integrate single-function, mixed-use and hybrid program types across the wide variety of cultural and market contexts within which our clients practice.

Whether we are developing projects for research, healing, learning, work, product or creating new physical systems that improve building performance, our technological and programmatic sophistication creates the foundation for next-generation architecture.

Founded
Firm: 1954

Revenue
$23.2M

Number of Professionals
120

Offices
New York
Philadelphia
Washington, D.C.

Services
Architecture
Planning
Interior Design

Experience
35% of staff has 20+ years of experience

Stability
90% revenue is from repeat clients

Principals
James T. Crispino [AIA, NCARB, President]
Harry H. Hummel [AIA, NCARB, LEED® AP]
Kenneth S. Kramer [AIA]
Anthony J. Colciaghi [AIA, NCARB, LEED® AP, BD+C]
John B. Campbell [AIA, RIBA, NCARB, LEED® AP]
Aran A. McCarthy [AIA, NCARB]
Catherine L. Gow [AIA]
Michael D. Bonomo [FIDIA, NCIDQ]
Stanley R. Stark [AIA, LEED® AP]

francisc Cauffman.com
Services

We are a full service architecture, planning and interior design firm. We will provide each client with a team that has the experience and expertise most appropriate for each project.

Architecture
- Architectural Design
- Bid & Contractor Selection
- Construction & Bid Documentation
- Construction Observation
- Cost Efficiency Monitoring
- Design Development
- Post-Construction & Start-Up
- Scheduling
- Sustainable Design

Interior Design
- ADA Design
- Construction Observation
- Ergonomic Design
- Furniture & Equipment Selection
- Installation Observation
- Interior Architecture & Design
- Move Management & Coordination
- Orientation & Post-Occupancy
- Space Analysis & Planning
- Wayfinding & Signage Programs
- Lighting Design

Planning
- ADA/Code Compliance Analysis
- Adjacencies/Flow Analysis
- Building Evaluation & Test-Fit
- Building Systems Development
- Campus/Site Planning
- Capital Planning
- Certificate of Need Development
- Cost Estimating
- Facilities Assessment/Audit
- Feasibility Studies
- Implementation Phasing/Scheduling
- JCAHO Accreditation Surveys
- Laboratory Planning

- Master Planning
- Program Planning
- Site Analysis & Selection
- Survey & Computer Documentation
- Systems Planning
- Strategic Planning
- Traffic/Parking Planning
- Vivarium Planning
- Workplace Strategies

Medical Equipment Planning
- Materials Management
- Installation Monitoring
- Investigative Analysis
- Medical Equipment Management
- Program Development
- Planning & Feasibility
- Procurement Assistance
- Specification

Management Services
- Due Diligence
- Facilities Management
- Facilities Analysis & Audits
- Owner’s Rep Management
- Project Management
- Real Estate Analysis
- Site Analysis

Computer Aided Facilities Management (CAFM)
- Data Base Creation
- Outsourced Personnel
- Programming
- Software & Hardware Specification
- Space Analysis

franciscauffman.com
Awards

Healthcare
St. Joseph's Regional Medical Center, New Hospital Lobby
2011 IIDA President's Choice Award – International Interior Design Association, PA/NJ/DE Chapter

Geisinger Health System, The Critical Care Building at Geisinger Wyoming Valley
2010 ASHE Vista Award Winner for New Construction

McNeil Consumer Healthcare Global Headquarters
2010 Merit Award, Large Office Category – 24th Antron® Carpet Fiber Designed to Perform Competition

Atlantic Health, The Gagnon Cardiovascular Institute at Morristown Medical Center
2009 Honorable Mention, Best Healthcare Public Spaces – International Interior Design Association, PA/NJ/DE Chapter

2009 New Jersey Golden Trowel Award, Best in Category: Tile / Marble / Terrazzo, International Masonry Institute and Masonry Contractors of New Jersey

AtlantiCare Regional Medical Center – City Division

Science & Technology
Invivotek
2013 Facility Innovation & Achievement Award for 'Excellence in Animal Facility Design, Planning, Construction and Operation' – Allentown Inc

Rochester Institute of Technology, Institute Hall
2012 Citation for 'Outstanding Design: Work in Progress' – AS&U

University of Rochester, Saunders Research Building
2012 Citation for 'Outstanding Design: Specialized Facility' – AS&U

Corporate
GlaxoSmithKline at the Navy Yard, Workplace Fit-Out
2013 IIDA Exemplary Element Award – International Interior Design Association, PA/NJ/DE Chapter

Young Conaway Stargatt & Taylor LLP, The Court House Building
2012 Best of Year Honoree for Office Restoration – Interior Design Magazine

2012 Best Interior Design – International Interior Design Association (IIDA), PA/NJ/DE Chapter

2012 Merit Award with Sustainable Building Recognition (Built Category) – American Institute of Architects (AIA), Delaware Chapter

Fulton Bank Headquarters
2012 Merit Award (Unbuilt Category) – American Institute of Architects (AIA), Delaware Chapter

USM | An EMCOR Company, Headquarters Relocation
2012 Honorable Mention, Workplace Design – International Interior Design Association, PA/NJ/DE Chapter

W.L. Gore, Work Strategies Study & Pilot Project
2013 Design is...Award – Shaw Contract Group

2011 Best Interior Design – International Interior Design Association, PA/NJ/DE Chapter

Morris James LLP Office Relocation

2007 Construction Excellence Award – Delaware Contractors' Association

2007 Best Interior Architectural Design – The Society of American Registered Architects (SARA), PA Chapter
Publications

Architect
"BIM Streamlines and Blurs Lines"

The Architect's Newspaper
"Parts Included"

Building Design + Construction
"Reinventing the Suburban Campus"

Workplace White Paper
"Phonebooths & Mailboxes - The Way We Work Now"
A collaboration with the Canadian manufacturer Teknion.

College Planning & Management
"Rochester Institute of Technology Expands Scientific Programs"
"Partnering for Research: The New Buffalo Life Sciences Complex"

Design intelligence
"Collaboration—Better than I.P.D."

E-Oculus
"Healthcare Gets an Upgrade in New Jersey"

Executive Insight
"A Culture of Green"

Facility Care
"Interior Design Trends for 2009 Healthcare Forecast"

Health Facilities Management
"Ambulatory Advice"
"Devising Flexible Hospital Interiors"

Healthcare Construction + Operations
"Design for Patients, by Patients"
"Francis Cauffman Begins SMMC Master Plan"

Healthcare Design News
"Mercy Health System of Maine Builds New Medical Campus"

Healthcare Design
"Designing for Safety"
"Equipment Budget Wizardry – Planning and Budgeting for New Technology"
"More Than Art"
"Redefining the Operating Room"

Interiors & Sources
"High-Tech, High-Touch"

Legal Management
"More Space, Lower Costs"

The Mann Report
"Translating Business Cultures into Built Space"

Medical Construction & Design
"Taking a Fresh Look at Family-Centered Care"
"To Invest or Not to Invest"

The McMorrow Healthcare Facilities Management Report
"Technology's Impact Revolutionizes Hospital Design"

Newjerseyroom.com
"St. Michael's in Newark Begins $250M Transformation"

Perspective New Jersey
"Creating New Jersey's Future"

Perspective New York
Francis Cauffman profile

Philadelphia Business Journal
"Ballard Undertaking Office Redesign"

Today's Facility Manager
"Ergonomics for the 'Unassigned' Workspace"
"The Demise of the Cubicle"

World Architecture News.com
"Irish Inspiration"
James Crispino AIA, NCARB
President

James Crispino was elected President of Francis Cauffman in 2004, where he has served as Principal since 1998. Jim has focused his career on design, strategic planning, research, development and implementation planning. He has focused his work on the creation of emerging programmatic hybrids. His research concentrates on the synthesis of new patterns of human behavior as supported by new technologies. Jim's design and planning work synthesizes these macro-trends in specific works for medicine, research, technology, teaching and multi-functional space. He is particularly adept at the integration of the developed hybrid program in the urban environment.

**Registration**
New York, Pennsylvania, Louisiana, Ohio, District of Columbia, Michigan, Maryland, New Jersey, West Virginia, Florida, Canada

**Education**
Drexel University, Bachelor of Architecture, 1992
University of Delaware, Civil Engineering
Harvard University
Certificate in Health Facilities Planning

**Professional Affiliations**
American Institute of Architects (NYC, Philadelphia)
AIA Finance Committee (NYC)
National Council of Architectural Registration Board Institute for Urban Design, Fellow
Drexel University Architectural Society, President
Pennsylvania Society of Architects, Board of Directors
Society of College & University Planners
American Hospital Association
American Association of Medical Colleges

**Honors & Awards**
ASHE Vista Award
Alpha Rho Chi Medal
Stewardson Memorial Design, Honorable Mention
Buffalo Life Sciences Complex
Best of 2005 Award - "Best Research Facility"
St. Joseph’s Regional Medical Center; Hospital Lobby
2011 IIDA President’s Choice Award

**Publications**
Master Planning in An Academic Environment-1999
An Integrated Approach-1998
Strategic Facilities Planning-1996
Current Trends in Women’s Services Planning-1995

**Conferences & Speaking Engagements**
Going Green: High Performance Healthcare Buildings
(ACHE National Conference 2013)
Managing Client Expectations
(AIA PDC National Conference 2012)
Planning for Integrated Research
(Tradelines National Conference 2011)
VISTA Award – AHA/AIA National Conference 2010
ACEF&G/Greenway: Design Leadership

**Experience**
NYHTC Brooklyn Health Center
New York, NY

Beth Israel Medical Center
New York, NY

Mt. Sinai Medical Center
New York, NY

Lenox Hill Hospital
New York, NY

Continuum Health Partners
New York, NY

Columbia University Medical Center
New York, NY

Montefiore Medical Center
Bronx, NY

Hospital for Special Surgery
New York, NY

North Shore-LIJ Health System
Manhattan, NY

Geisinger Health System
Geisinger Wyoming Valley Medical Center
Wilkes-Barre, PA

St. Joseph’s Health System
Master Plan and Implementation
Paterson, NJ

St. Michael’s Medical Center
Master Plan and Implementation
Newark, NJ

Pennsylvania State University
State College, PA

University of Rochester Medical Center
Rochester, NY

Main Line Health System
Bryn Mawr Hospital
Bryn Mawr, PA
Bryn Mawr Rehabilitation Hospital
Malvern, PA
Lankenau Hospital
Wynnewood, PA

Georgetown University Medical Center
Washington, DC

Albert Einstein Healthcare Network
Albert Einstein Medical Center
Philadelphia, PA

Hahnemann University Hospital
Philadelphia, PA

State University of New York
University at Buffalo
Buffalo, NY
Upstate Medical University
Syracuse, NY
Stony Brook
Stony Brook, NY

Roswell Park Cancer Institute - SUNY University at Buffalo
Buffalo, NY

Thomas Jefferson University
Thomas Jefferson University Hospital
Philadelphia, PA

University of Pennsylvania Health System
Hospital of the University of Pennsylvania
University of Pennsylvania Medical Center
Philadelphia, PA

F. F. Thompson Hospital
Canandaigua, NY

University of Maryland at Baltimore
Baltimore, MD
Shawn P. Marren  AIA
Technical Director

With over 23 years of experience, Shawn has successfully managed lasting relationships with clients having unique and challenging issues. His approach has led to successful results on a wide variety of project types and sizes. He has endeavored to foster team growth while maximizing the special qualities of each member of the group. Shawn has worked efficiently with consultant teams, keeping his projects on schedule and on budget.

Registration
New York

Education
Temple University, Philadelphia, PA
Bachelor of Architecture, 1997

Thesis completed May 1990
Alumni Thesis Prize – Recipient
Best of Juries – Five time Nominee
Temple Owl Pedestal Competition – Honorable Mention

Professional Affiliations
American Institute of Architects (AIA)

Experience (*) Experience with Other Firms

SUNY Upstate Medical University
Cord Blood Project
Cord Blood Process Lab Project
Syracuse, NY

Biotrial – North American Headquarters
North American Headquarters and Operations Center for Contract research Organization
Newark, NJ

Saint Michael's Medical Center
Campus Master Plan
Emergency Department Expansion
New Campus Entrance, Lobby, PAT & registration
New Breast Center
Newark, NJ

Schneider Children's Hospital - PICU
New Pediatric Intensive Care Unit
New Hyde Park, NY

Mount Sinai Medical Center – Inpatient Rehabilitation
Renovation and Expansion of Inpatient Physical Therapy Unit
New York, NY

Callen Lorde Community Health Center
Planning and Implementation for HEAL Grant
New Pharmacy
New York, NY

Mount Sinai Medical Center – Clinical Research Laboratories
Planning, Renovation and Expansion of Research Labs
New York, NY

New York Cord Blood Registry Project
Cord Blood Process Lab Project
New York, NY

Saint Joseph Health Care System
Expansion of Main Campus
Paterson, NJ

Lutheran Medical Center*
Mixed use new construction:
medical offices, apartments, commercial & garage
Brooklyn, NY

Gamma Knife at Monmouth Medical Center*
Renovation of Existing Hospital to Accommodate New Radiation Treatment Modality: Gamma Knife Requiring Vault for Radiation Shielding, 3t MRI, Offices, Exam Rooms, Support Spaces, Infusion Areas, Vault For Tomotherapy Machine, Relocated Ct, Relocated Controls For Existing Linac & Hdr
Newark, NJ

Cohen Cancer Center at Newark Beth Israel*
Construction Administration of a Fully Renovated & Expanded Cancer Center Including Medical & Radiation Oncology: Offices, Exam Rooms, Support Spaces, Infusion Areas, Vault For Tomotherapy Machine, Relocated Ct, Relocated Controls For Existing Linac & Hdr
Newark, NJ

Mount Sinai School of Medicine*
Renovations to Various Departments in the Annenberg Research Tower Including Full Master Plan / Renovations of the Departments Of Medicine, Pathology, Pharmacology & Systems Therapeutics: Program Includes General & Specialized Laboratories, Offices, Support Spaces
New York, NY

Sunbury Community Hospital*
Renovation & Addition to Existing Community Hospital: New Hospital Entrance, New Emergency Department, Expanded Skilled Nursing Unit, Revised Vehicular Traffic Flow & Parking, New Loading Dock
Sunbury, PA
New York Experience

Francis Cauffman has completed, or is engaged in, extensive architecture, planning, and interior design projects for following institutions in the New York Metropolitan Region:

Atlantic Health
AtlantiCare Regional Medical Center
Beth Israel Medical Center
Bronx Lebanon Medical Center
Callen Lorde
Cohen Children’s Hospital
Coler-Goldwater North
Columbia University Medical Center
Continuum Health
Cooper University Hospital
Hospital for Special Surgery
Lenox Hill Hospital
Memorial Sloan Kettering Cancer Center
Montefiore Medical Center
Mt. Sinai Hospital
Mt. Sinai Medical Center
New York Blood Center
New York Hotel Trades Council
New York Presbyterian Hospital
North Shore-LIJ Medical Center
NYU Langone Medical Center
Southside Hospital
St. Michael’s Medical center
St. Joseph’s Regional Medical center
Trinitas Regional Medical Center
Weill Cornell Medical Center
St. Joseph’s Healthcare System, Inc.
St. Joseph’s Regional Medical Center – Critical Care Building
Paterson, New Jersey

Size
175,000 SF

Services
Architecture, Planning, Interior Design

Description
• New 4-story critical care building (CCB) project part of Strategic Facility Plan & Implementation by Francis Cauffman for a 600-bed teaching hospital and health system.
• 88 treatment areas in separate Pediatric, Geriatric and Adult emergency departments, including trauma, fast-track, triage rooms and treatment bays.
• 12 advanced systems-integrated operating theaters, pre-operative and post-operative areas, and a dedicated surgical waiting area.
• 56 new private patient critical care rooms in critical care units including: Cardiac Care Unit/Open Heart Cardiac Care Unit; Surgical Intensive Care Unit; Medical Intensive Care Unit.
• Rooftop helipad landing pad capable of accepting the larger medical helicopters.
• Ambulance and mobile intensive care vestibule capable of handling multiple vehicles simultaneously.
• 50,000 SF Level One Regional Trauma Center to receive 100,000 annual visits.

Awards
• 2011 IIDA President’s Choice Award – International Interior Design Association, PA/NJ/DE Chapter
Hospital for Special Surgery
Invited Design Competition
New York, New York

Size
750,000 SF

Services
Architecture, Planning, Interior Design

Description
• The Hospital for Special Surgery held an invited design competition to address their plans to demolish the Caspary Building and build on the site an approved River Building to the extent possible.
• Francis Cauffman sought to create an environment that embodies the culture and reputation of the Hospital for Special Surgery, a global leader in musculoskeletal medicine.
• The proposed 47 story, 750,000SF facility dramatically extends over the Franklin D. Roosevelt East River Drive, with an angular and contemporary profile that reflects the high-tech/high-touch approach to patient care and effectiveness for which HSS is renowned.
• The design includes a new lobby, 102 beds, and ten ORs programmed across the first 12 floors. On the third floor, a bridge to the existing hospital links related OR support functions and a doctor’s lounge. Surgical suite planning includes cores, pods, and race tracks. The patient floors are organized according to an EVB planning strategy for patient-centered care, staff-centered design, and acuity compatibility.
• Floors 14 through 24 were planned for 150,000 SF of physician office and ambulatory care space. The “universal” planning approach proposed for the ambulatory care space assumes a multi-disciplinary practice model. It also supports flexibility and growth, as well as accounting for future technological advancements.
• The remaining floors of the building were proposed to be a hotel.

franciscauffman.com
Hospital for Special Surgery
Caspary Building
New York, New York

Size
128,000 SF

Services
Architecture, Planning, Interior Design

Description
• The Hospital for Special Surgery (HSS) is the leading orthopedic hospital in the United States. The HSS patient satisfaction scores for ambulatory services place it in the top 1% of ambulatory centers nationally.
• HSS retains Francis Cauffman for campus wide planning and signature design work at its main campus on the upper east side of Manhattan and at two new locations in northern New Jersey.
• Francis Cauffman’s design team has been working with the Fundraising Campaign to develop a new identity to the existing Caspary building as an Ambulatory Care Center. The comprehensive study included re-imaging of the existing building with a reorientation of the new entry and New Lobby leading to the existing hospital.
• The Ambulatory Care Center (ACC) is an 8-story, 128,000 SF building on 71st Street at the main campus of HSS.
North Shore-LIJ Health System
Southside Hospital – Master Plan & Implementation Phase I
Bay Shore, New York

Size
56,700

Services
Architecture, Planning, Interior Design,
Medical Equipment Planning

Description
- The Southside New Clinical Building consolidates and replaces key programs into a modern facility creating a new entrance on campus.
- The new public atrium is an extension of the public spine, creating both an active sun-filled circulation and more secluded places of respite. What was essentially left-over space required between buildings was developed into an incredible design feature that is the focal point for the campus.
- The New Clinical Building includes Perioperative Services, Emergency Department and a 32-bed Patient Unit as well as some ancillary departments.
- The planning for the new clinical building addresses a future three-story vertical expansion.
Atlantic Health
Morristown Medical Center – Master Plan & Implementation
Morristown, New Jersey

Size
333,000 SF

Services
Architecture, Planning, Interior Design, Medical Equipment Planning

Description
- Teaching hospital expansion project includes planned growth and improved services for cardiology, obstetrics, surgery and radiology.
- Expansion of Cardiac Cath Suite, two new EP labs and one vascular lab, new Cardiovascular Surgical Suite with six state-of-the-art operating rooms, inpatient and outpatient care and recovery area reconfiguration, diagnostic cardiac imaging, cardiac rehabilitation and outpatient diagnostic and clinics.
- Expansion of OB services for 5,000 births/year includes 54 new and renovated postpartum private bedrooms, LDR Suite expansion, new C-Section room and support, NICU expansion, new healthy baby nursery.
- Bed space expansion adds 205 beds by means of two interconnecting towers.
- Master Plan supports improved horizontal and vertical circulation; Provides for future bed space and Emergency Department, Radiology and support space expansion.

Awards
- 2009 Honorable Mention for Healthcare Public Spaces from the International Interior Design Association (IIDA)
- 2009 New Jersey Golden Trowel Award: Best in Category – Tile/Marble/Terrazzo, International Masonry Institute and Masonry Contractors of New Jersey

franciscaufman.com
Cooper University Health Care
MD Anderson Cancer Center at Cooper
Camden, New Jersey

Size
103,000 SF

Services
Architecture, Planning, Interior Design, Medical Equipment Planning

Description
- MD Anderson Cancer Center at Cooper is a partnership between Cooper University Health Care and The University of Texas MD Anderson Cancer Center.
- Comprehensive cancer center treating all types of cancers for patients in the Northeast
- Three-Level Cancer Center plus one (1) shelled floor
- Radiation Oncology with two (2) below grade linear accelerators, infusion center with 36 treatment bays, breast center, phlebotomy and central pharmacy
- Two (2) Linear Accelerator vaults:
  - 600 SF each
  - Access via sliding lead doors
  - Shared control room with access adjacent to each vault entry
  - Elekta was the Manufacturer of the two units
- New 170-space, sub-surface parking garage under landscaped entry plaza
- Second level healing garden
- Entry pavilion with registration and cafe
- Building planned for three (3) floors of vertical expansion
- Project is Registered LEED-NC v 3.0, Silver
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<tr>
<th>Point of Contact</th>
<th>Address</th>
<th>Phone, Fax &amp; E-mail</th>
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<tbody>
<tr>
<td>Tiffany H. Brown</td>
<td>TAG-Mississippi Enterprises, LLC Headquarters</td>
<td>601.360.2047 (o)</td>
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<tr>
<td></td>
<td>1080 West Pearl Street</td>
<td>703.615.4428 (c)</td>
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<tr>
<td></td>
<td>Jackson, Mississippi 39203</td>
<td>703.991.5652 FAX</td>
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<td>10184 Turnberry Place</td>
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<td></td>
<td>Oakton, Virginia 22124</td>
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<td>HubZone Certified, SDVOB</td>
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BACKGROUND OF COMPANIES

TAG-Mississippi Enterprises, LLC is a HUBZone certified, service disabled veteran owned small business that provides state and federal government agencies and private sector corporations with world class project management services. Formed in 2007, Team TAG’s personnel have extensive collective legal experience and subject matter experience in human resources support including Department of Labor audit services, federal labor and employment law compliance. Additionally, TAG’s personnel have offered advisory service and guidance in the areas of benefits compensation, wage and hour regulations and policies, wage and hour audit services and FLSA, FMLA, SCA and Davis Bacon. Further, TEAM TAG has experience in the areas of in human resource management, information technology management (network operations centers) and various technology solutions, HRIS, systems integration, project management, business process reengineering and in hearings and complaint resolution, disciplinary actions, ADA compliance concerns, veteran’s reemployment actions and investigation of age discrimination, sexual harassment claims and EEOC complaints.

TEAM TAG offers turnkey expertise in project management, business operations and business management. When clients hire TEAM TAG, they have a rare opportunity to work with a responsive, project-specific team committed to a high quality project outcome. TEAM TAG services help clients reduce overall project completion time by eliminating the information translation time between contractor, professional and technical service providers. Potential communication errors are minimized because a single source is used to interpret and analyze data and generate reports. TEAM TAG provides clients with greater accuracy by eliminating the potential loss of information by streamlining data in the communication process and utilizing state-of-the-art analysis and reporting software programs. TEAM TAG provides QA/QC services on all projects to ensure solutions are implemented as designed.

TEAM TAG offers personalized and customized service that many large service companies are unable to supply. We are present throughout the entire process from inception through the conclusion of the implementation. We do not act merely as advisors, like many other service firms, but also as processors and implementers.

The following are our specific responses to questions cited in the Defense Contracting Command Sources Sought notice:

1. What is your experience with providing Program Support Services to include the following functions: management of human capital, governance of information technology resources, performance measurement, communications, business process re-engineering, automation, integration, information systems integration, project management, budgeting, human resources management, extramural management, implementation of strategies, business processes, initiatives, plans, projects and
reorganizations? Provide specific experiences where your company has implemented each.

TEAM TAG currently has personnel operating the In/Out-Processing Centers of two major installations, which includes HR support, issuing ID cards, processing and filing appropriate insurance documents for soldiers, manages awards programs, administration of special programs, and medical and administrative processing of soldiers and civilian staff members deploying/redploying from overseas.

In addition, our personnel supported three Veterans hospitals in California, with Automation technology, clerical and administrative staff augmentation, property accountability support, drivers, insurance verification, and receptionists.

TEAM TAG’s personnel have ongoing operations with systems integration work in the 2 GHz (TV) range for the public safety sector conversion - an effort between the FCC and Sprint Nextel. This work requires configuration of integrating old with new equipment, bouncing signals for optimal targeting ranges, tower adjustments, testing bandwidth, among other technical requirements. Additionally, our teaming partner, Eagle, has programmers/analysts who have worked with the VA’s MUMPS system and other hospital information systems to design for performance, maintainability, enhancements and performance optimization. TEAM TAG’s personnel regularly communicated with the patients through phone and automation systems. TEAM TAG’s VA support staff personnel utilize all communication modes available to establish effective communications in support of our customers.

TEAM TAG has recently received an “outstanding” interim evaluation from the United States Army Corps of Engineers, New Orleans Division, for its project management of a $4.5 million levee repair effort in south Louisiana. TEAM TAG has managed the personnel and subcontractors and has been the primary interface with government personnel overseeing the project. The project is being performed at a rate of over $1 million under budget and is running about two months ahead of schedule in terms of the projected completion date. As a further example of the government’s satisfaction with the performance of TEAM TAG on this project, TEAM TAG has received a request from the government to extend the project for additional work. Further, in the areas of human capital management and development and implementation of strategies, TEAM TAG’s personnel have performed environmental scans, organizational assessments and staff development studies for various non-profit organizations in the Washington, D.C. area. In addition to the USACE project, TAG’s personnel are currently providing project management services for the 2 GHz FCC-Sprint Nextel public safety sector conversion cited in the aforementioned paragraph. This includes customer management, scheduling work, resolving issues, answering inquiries and ensuring delivery dates, benchmarks and targets are met.

TAG-Mississippi Enterprises
Sources Sought Response to Solicitation Number W91WAW-09-R-0092
May 29, 2009
TEAM TAG’s personnel have a long history of managing people and HR operations performing functions such as the full life-cycle of recruiting for all types of candidates – legal, financial, analysts, back office operations, technical, frontline managers to executives; perform and review all benefits and compensation administration, including budget control – seeking what is best for company and employee. Additionally, members of TEAM TAG have been responsible for the training and development of personnel from those on the frontline employees to those on the executive level. We use several technologies, i.e. Kenexa/Brass Ring, to monitor and track candidate recruitment efforts from onset to conclusion.

Additional, TEAM TAG’s personnel have facilitated, created and communicated performance measurements based on a variety of methods such as setting up focus groups, then refining the parameters of the measured area of performance. As an example, for a Fortune 500 company, the old performance model was based largely on subjective material, with little material in the objective realm. Several focus groups were set up, each from different areas of the operation – accounting/finance, information technology and customer operations. These groups involved all levels of employees and managers who tirelessly worked, defined and refined solid measurement areas ultimately resulting in a comprehensive performance management evaluation form with bi-lateral participation between employee and manager.

We strive to ensure quality in all our services. Our staff sets and meets performance standards necessary to maintain the most productive and efficient operations for our customers. TEAM TAG has utilized Lean/Six Sigma to reduce inefficiencies and to eliminate wasted resources. Additionally, TAG’s personnel have performed dozens of BPR projects in commercial and academia with the most recent project concluding in 2008 at Howard University for the procurement department.

Our quality system permeates the entire spectrum of the organization and leadership for best management practices with respect to project management, budgeting, planning and implementation of strategies. In one of the programs now being serviced, TEAM TAG maintains a Quality Control Manager (QCM), who does not fall under the supervision of the Project Manager. This allows the QCM to make independent quality surveys and studies which the outcomes cannot be adversely affected by the site leadership which eliminates conflicts of interest.

2. In support of the functions mentioned in question 1, what is your experience with performing studies, producing reports, participating in and/or facilitating agency-wide workgroups, developing presentations, proposing and supporting implementation of strategies, and providing unbiased advice to management and staff regarding improvement and streamlining program management activities?
As mentioned in Section 1 above, TEAM TAG's Quality Control Manager (QCM) performed quality studies of the HR, In/Out-Processing Center Operations and Soldier Readiness Processing Centers at Ft. Riley, KS. TEAM TAG has over 50 employees augmenting the Adjutant General Staff. Our QCM conducts studies to ensure quality metrics are being maintained. The QCM prepares and disseminates his reports to the staff principals on his findings. He participates in quality workgroups with the customers, the Contracting Officer Representatives and the Contracting Office personnel to resolve issues and build improvements and efficiencies.

TEAM TAG also has budget analysts that work with the Installation, FORSCOM, contractor staff and the customers to ensure the programs are funded. This is necessary with different funding streams involved in the overall program. Presentations are regularly made to apprise the program managers on funding levels. These briefings are utilized to propose and implement funding strategies to minimize shortages of funds, which could result in a disruption of services.

Further, TEAM TAG's personnel have produced detailed reports based on information derived from online staff surveys, telephone interviews, stakeholder interviews, gap analysis. For example, we have performed an organizational/staff assessment engagement as follows. First, since a high-performing organization is an agile organization, we believe that all organizations need to have a clear picture of the attributes or ingredients most critical to excellence. To assist organizations in developing this "clear picture," we have compiled a comprehensive list of the drivers of organizational effectiveness in a variety of industries. We then surveyed key stakeholders to choose the ingredients believed to be the most reliable indicators of effective performance. We then asked the organization's key stakeholders to rank-order the top 10 ingredients they believe are the most reliable predictors of effective performance across the organization in order of importance. At the end of the first step, we will be able to plot the distribution of those particular ingredients your key stakeholders believe are the most reliable predictors of high-performance and make appropriate recommendations in a report analyzing all the information derived.

3. What is your experience with using initiative and strategic thinking in providing advice and recommendations on new and innovative solutions not specifically solicited by government management or staff?

We respectfully refer you to information included in the last paragraph of question 2 above. Further, we hire forward thinking managers who think strategically as opposed to being reactive. As mission requirements change, our Project Manager and our QCM are determining methodologies to handle surges or to scale the workforce back when mission requirements are low. Our project managers are partnered with their respective government counterparts and regularly seek our guidance on what is needed to respond to surge mission requirements. We work to quickly fill staffing needs through hiring and maintaining a pool of part-time workers who are called upon to ramp up to meet surge mission requirements.
4. Does your firm have the work experience similar in nature, scope, complexity, and difficulty of work in the PWS?

As mentioned previously, TEAM TAG has similar work experiences with HR and administrative services in service to the Veterans Hospitals in Los Angeles, Mare Island and San Francisco. We have experience working OCONUS programs, and we know the requirements necessary to deploy our personnel around the world in support of complex programs. In most of our current programs we provide the Contracting Officer/Contracting Officer Representative (COR) with physical security, key control, and quality control plans within 30 days after award. We also have an excellent support staff capable of quickly recruiting a competent and quality work force.

5. Does your firm have the financial capability to withstand a negative cash flow of $1,250,000.00 per month?

Our team can withstand the negative cash flow for a short duration of time. Our assumption is that this negative cash flow would be between the time of contract award and the payment of the first invoice.

6. Does your firm have the relevant past performance within the last three years? (include contract numbers, contract type, dollar value of each procurement, point of contracts, and brief description of the work performed)

6a. Program Name: U.S. Army Corps of Engineers (USACE), New Orleans Division  
   Contract Number: W912P8-08-C-0105  
   Contract Type: Firm Fixed Price  
   Contract Price: $4,509,732.00  
   Contracting Specialist Name: Lindsay Dawson  
   Email: Lindsay.T.Dawson@usace.army.mil  
   Telephone: 504.862.2125  
   Description of work: As project manager, TAG managed the subcontractor on the engagement and oversaw all administrative operations of the contract. TAG also developed the budget for the engagement, ensured the scheduling timelines were maintained and managed all human resources issues.

6b. Program Name: Howard University  
   Contract Number: N/A  
   Contract Type: T&M  
   Contract Price: $2,000,000  
   Contracting Officer: N/A  
   E-mail: sallycohen@ifgpr.com  
   Telephone: 301-941-1823  
   Contracting Officer Representative: N/A
Description of work: Reviewed, assessed and implemented a program to reengineer the procurement department, as well as the flow of procurement information through the University. Worked with personnel in all departments to uncover the antiquated way of processing request for purchase. The University was on a legacy system that was being updated to use PeopleSoft; however, the personnel were inclined to continue processing requests the same way on the new system. Our responsibility was to develop business rules for new methods of processing using the technology to the fullest and maximum extent as possible. This approach also required a change management solution, as well as upgrades to job descriptions, performance measurements and performance evaluations.

6c. Program Name: Ft. Riley CONUS Support Based Services (CSBS)
   Contract Number: W911RX-06-C-9000
   Contract Type: T&M
   Contract Price: $98,079,333.60
   Contracting Officer: Name: Gary R. Parker
   Telephone: (785)239-4589
   Email: Gary.r.parker@us.army.mil
   Contracting Officer Representative: David Dawson
   Telephone: (785) 239-3674
   Email: David.w.dawson@us.army.mil
   Description of work: HR – Augment the garrison with trained personnel to provide full service personnel support for mobilization, deployment, redeployment, and demobilization, thru operation of a MOBCENTER.

We augmented the Medical personnel in providing Combat Lifesaver training as both instructor and evaluator. Work was performed outside and in all kinds of weather. Contractor personnel were National Registry-Emergency Medical Technician Basic Certified, and have held a MOS of 68W, or had attended classes of EMT or served in the Army as a 68W or equivalent to other military services. The instruction on first aid using the instructional material was provided for by the government. Contractor personnel conducted hands-on instruction, evaluation, and articulate practical exercises to small and large groups of over 100 personnel. The instruction covered as a minimum: 9-line MEDEVAC, evaluate a casualty, prevent shock, control bleeding, initiate an I.V., open and manage a casualty airway, treat penetrating chest wound, and treat a tension pneumothorax. Contract instructors assisted in evaluating and grading tests. Instructional staff worked in a simulated combat environment around loud noise, blood, smoke, etc.

Here, we placed individuals in a fast paced environment that required coordination of a variety of resources to meet ever-changing operational requirements. Work also involved gathering data, preparing briefing and ensuring that the appropriate decisionmakers have the most current and accurate data available to make decisions. This effort further required the coordination necessary to gather critical information in addition to the direct coordination of a variety of on post and off post external agencies.
6c. **Contract Name:** HR and Administrative Support to the Veteran’s Hospitals in Los Angeles, San Francisco, and Mare Island, CA.

**Contract Numbers:** There were over 80 contracts (one per employee) under the FedSource Contract Vehicle. Some of the contract numbers include: LOS 015364 – Computer Specialist; LOS 015359 – Lead Billing Clerk IV; LOS 015343 – Management Analyst; LOS 015342 – Reader; LOS 015344 – Billing Clerk IV; LOS 015349 – Accounts Receivable Clerk; LOS 015354 – Pre-Registration Clerk III; and LOS 015457 – Insurance Verification Clerk.

**Contract Type:** Firm Fixed Price

**Combined Contract Value for all three sites:** $18,000,000 (est)

**Contracting Officer:** Alan Tibbetts  **Telephone:** (714) 792-1146 Ext. 17

**Email:** atibbetts@los.fedsourcing.gov

**Contracting Specialists:**
Lizzette Paez (Los Angeles)
FedSource Los Angeles
**Phone:** 714-579-4248
**Email:** lpaez@los.fedsourcing.gov

[www.fedsourcing.gov](http://www.fedsourcing.gov)

Brandalyn Collins (San Francisco & Mare Island)
IAP Contractor
Contracted For Fedsource Los Angeles
(714) 579-4250
**bcollins@los.fedsourcing.gov**

**Description of work:** IT: Programmer responsible for programming and analysis for MUMPS ([Massachusetts General Hospital](https://www.massgeneral.org) Utility Multi-Programming System) and its integration into the Veterans Health Information Systems and Technology Architecture ([Vista](https://www.va.gov/vista/)). System administration of these and other hospital information systems. Office Automation Services – Data entry of patient information into VA automation systems such as the [Decentralized Hospital Computer Program](https://www.hcpr.dvi.hrsa.gov) (DHCP)

HR and Administrative Support: Insurance Verification Clerks - Met with patients to verify and update the patient’s 3rd party health insurance benefits; interpret information on medical benefits and coverage; and work with Utilization Review nurses to ensure pre-certification of 3rd party health insurance carriers is done expeditiously on inpatient and outpatient services.

Medical Coding Services - Provided personnel with Certified Coding Specialist Certification or a registered Health Information Technician Certificate. Medical Collections Support - Expert interpersonal skills necessary to assist Veterans with personal finances regarding payment of their accounts. Clerical Support Personnel - Personnel utilized the DHCP system to enter patient information. Switchboard Operations: Operated an electronic switchboard, possessed excellent phone etiquette, and communicates with patients and hospital/clinic
staffs in both written and verbal formats. Front Office Clerks and Receptionists – Met with patients with a positive attitude and answered questions and obtained information when checking in. Report of Survey Specialists – Worked to maintain proper accountability of hospital/clinic equipment through hand-receipting and regular inventory.

There were several other job descriptions involved in this program.

7. What is your experience in providing a variety of support type services to meet dynamic health care needs in a timely manner; specifically as it relates to healthcare issues for the Military Treatment Facilities? Provide specific experience and what agencies.

One of the biggest challenges we have encountered in Military Treatment Facility contracts is recruiting personnel with the qualifications and certifications required to perform the contract responsibilities. Recruiting has to remain constant to ensure that qualified personnel are on contract and that expected and unexpected vacancies can be filled as expeditiously as possible. We utilize the Army Career Alumni Program (ACAP) and similar programs with the other Uniformed Services to bring on qualified personnel, who can begin work quickly with the minimal amount of training, we utilize other sources to recruit from such as using the Veterans Rep at the local Workforce Centers, utilization of online web site such as Monster.com, and through public advertising. We utilized this recruiting strategy to fill our positions with competent personnel at the Veteran’s Administration hospitals and clinics in California, and for our Combat-Lifesaver (CLS) positions at Ft. Riley. We also utilize placement centers at Vo-Techs and colleges with medical professional training programs.

8. What is your experience in facilitating and managing large and complex programs which involve interacting with higher echelon of management at all levels? Provide specific experience and identify where, when and how the program was implemented.

A challenge was extended by our customer at Ft. Riley as they needed support in providing Combat Lifesaver Training for soldiers deploying overseas. Combat lifesavers require extensive medical training to qualify them to perform the training. Our project manager informed the Contracting Officer and COR that he would be able to expand the contract to meet the new contract requirement. He immediately began recruiting the staff before the contract mod was made. At time of award, a qualified staff was hired and performing training immediately. Our project manager’s forward thinking was demonstrated when he hired a core staff to perform the training, and he hired a pool of part time CLS Instructors to fill in for surge training requirements or when a cadre staff member was sick or on vacation. This minimized disruptions in training.
9. What is your experience in overseeing large, complex IT systems with an array of healthcare type data? Provide IT systems and level of involvement.

Our personnel have experience in the Decentralized Hospital Computer Program (DHCP), Veterans health Information Systems and Technology Architecture (VISTA), and the Massachusetts General Hospital Utility Multi-Programming System (MUMPS). In addition, we are proficient in the several of the Army’s Standard Army Information Management Systems (STAMIS) dealing with military personnel management such as The Army Human Resource System (AHRS) Electronic Military Personnel Office (eMILPO), and the Deployment and Readiness Tracking System (DARTS).
Sylvester E. Hosey, CEO

Sylvester Hosey, CEO, oversees and manages business operations for TAG-MS. He is a 100% service connected disabled veteran who for 23 years, successfully developed and managed numerous retail and commercial businesses. In this capacity, he has formed and maintained relationships with local, state and federal government lawmakers. His work history also includes the position of Chief Accountant at Jackson State University. Mr. Hosey is a graduate of Xavier University in New Orleans, Louisiana where he received a Bachelor of Science in Business Administration and Jackson State University where he received a Masters in School Administration. Mr. Hosey has resided in Jackson, Mississippi since 1967.

Tiffany Brown, Esq. - President

Tiffany H. Brown, President, manages the day-to-day operations and business development efforts of TAG-MS. Her experience includes work as a business consultant advising non-profits, small and medium sized business on a variety of organizational and leadership development matters, through a company she co-founded and for which she served as General Counsel, Symphonic Strategies. Through Symphonic Strategies, she worked in the areas of organizational and leadership development, strategic planning, best practices research and strategy and innovation, among other things, when providing management consulting services to clients. She has also worked closely with community development leaders and organizations to help strengthen their capability to serve their constituent communities. In addition to her work as a business consultant, Ms. Brown is a seasoned litigator. She has represented Fortune 500 companies in a myriad of matters, and has counsel to a finance committee with oversight of a $9 billion trust in complex products liability matters and defended doctors and hospitals in multi-million dollar complex medical malpractice matters. Through her work as an attorney, she has learned to quickly identify the attributes that make companies thrive as business entities and those that hold them back from achieving their potential. She received her bachelor's degree in English Literature from Georgetown University and her juris doctorate from the George Washington University Law School. While at Georgetown, she studied both spoken and written Japanese and spent a semester of study in Tokyo, Japan. She is currently licensed to practice law in Virginia, Maryland and Washington, D.C. As a litigator, Ms. Brown's primary specialty was in the area of corporate litigation.
Avery L. Brown, Esq. – Vice President

Avery Brown, Vice-President, has primary responsibility over labor and employment matters and marketing efforts for TAG-MS. At Boyd & Brown, PC, Mr. Brown focused on providing organizations and businesses with government relations services including strategy, coalition building and advocacy before governmental bodies. He also facilitated small business access to domestic and international loan financing before bodies such as the Small Business Administration (SBA) and the Overseas Private Investment Corporation (OPIC). He is an experienced attorney with a broad range of experience representing both state and federal governments in legal and legislative matters.

Before co-founding Brown and Boyd, PC., for 14 years Mr. Brown held a myriad of positions at the United States Department of Labor ("DOL"). In his most recent post at DOL, Mr. Brown served as an Administrative Judge/ Hearing Representative where he adjudicated compensation benefits cases and claims brought by civilian employees who suffered illness due to exposure to radioactive and toxic substances at government and private facilities where atomic weapons were produced and tested. He also worked as a Senior Legislative and Regulatory Analyst with primary responsibilities for evaluation of the external and internal impact of legislation and the drafting of issues and options papers on proposed legislation and regulations. He also wrote and prepared testimony for DOL agencies on issues including, wage and hour laws, overtime issues, domestic and international child labor, labor-management standards, employment compensation, immigration and visas, equal employment and federal civil rights law. Mr. Brown has also served as Senior Counsel to the House Judiciary Committee Subcommittee on Immigration, Border Security and Claims. where he ushered pieces of legislation from inception, through Committee and to full House floor passage, researched and prepared legal memoranda for Subcommittee hearings and advised Subcommittee staff and Members of Congress. Legislation included such topics as the Role of Immigration in Homeland Security, Risk of Identity Fraud and Identity Theft to Homeland Security, Terrorism Implications for the Visa Waiver Program, National ID and State Drivers License, INS Restructuring and Oversight of the INS. Mr. Brown began his legal career as an Assistant Attorney General (AAG) for the State of Connecticut, where he represented the Connecticut Office of the Treasury and the State of Connecticut. Avery received a Bachelor of Arts from Bucknell University and Juris Doctor from the University of Virginia School of Law. He is licensed to practice law in the states of Connecticut and Pennsylvania (inactive).
CHRISTOPHER BRAZELL
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Education:

New York, New York
NEW YORK UNIVERSITY (8/96-5/98)
Leonard N. Stern School of Business
Master of Business Administration, May 1998
Double Major in Management (Entrepreneurship)/Finance
Co-Major in International Business
• Stern Faculty Scholar (1996-1998)
• Stern Teaching Fellow (1997-1998)
• Price Institute Entrepreneurship Fellow (1997-1998)
• International Management Program Grant Recipient (1998)
• Member of Association of Hispanic and Black Business Students

Johannesburg, South Africa
UNIVERSITY OF THE WITWATERSRAND (1/98-6/98)
Graduate School of Business
International Management Program
• Participated in an MBA student exchange program

Palo Alto, California
STANFORD UNIVERSITY (9/91-6/94)
Bachelor of Arts in Economics, June 1994
• Graduated one year early
• University Scholar (1991-1994)
• Dunn Scholar (1993-1994)

Experience:

Washington, District of Columbia
APPALACHIAN REGIONAL COMMISSION (6/04-Present)
Program Operations Division
Program Analyst
• Managing the redesign and automation of ARC’s grants
  management process including project application, review, approval, reporting, payments, closeout, validation, and auditing
• Developing new reporting tools that allow ARC to better evaluate and serve its grant recipients and its 13 member states in the mostly rural Appalachian Region

Washington, District of Columbia
DEPARTMENT OF THE TREASURY (3/15/05-4/11/05)
Community Development Financial Institutions (CDFI) Fund
Outside Reviewer, Technical Assistance (TA) Program
• Reviewed ten applications requesting over $470,000 in CDFI funds and proposing to provide business loans, microenterprise loans, and affordable housing products
- Assessed each applicant’s market need, CDFI strategy, management capacity, financial health and resources, community development performance, and effective use of technical assistance

DEPARTMENT OF THE TREASURY  
(11/16/04-12/3/04)
Community Development Financial Institutions (CDFI) Fund Outside Reviewer, New Markets Tax Credit (NMTC) Program
- Reviewed ten applications requesting a total of over $1 billion in New Markets Tax Credits and proposing to provide business loans and real estate loans
- Assessed each applicant’s business strategy, capitalization strategy, financial management capacity, and community development performance and impact

DEPARTMENT OF THE TREASURY  
(5/12/03-5/21/03)
Community Development Financial Institutions (CDFI) Fund Outside Reviewer, Financial Assistance (FA) Program
- Reviewed four applications requesting over $18 million in CDFI funds and proposing to provide business loans, microenterprise loans, and affordable housing products
- Assessed each applicant’s capital need, market need, community development performance, management capacity, underwriting capacity, financial health, and financial sustainability

APPALACHIAN REGIONAL COMMISSION  
(7/99-12/03)
Program Operations Division, Entrepreneurship Initiative Project Coordinator
- Facilitated the development of a $75 million regional business loan fund proposal for the New Markets Tax Credit Program and securing $423 million in investor commitments
- Evaluated and managed 125 entrepreneurship grants worth $245 million that funded entrepreneurship education and training, technical and managerial assistance, access to capital and financial assistance, sector and entrepreneurial networks, and technology transfer programs
- Managed $135 million in grants that operated microfinance programs and managed 60 completed grants that led to the creation of 425 new businesses and 1,378 new jobs

UNIVERSITY OF THE WITWATERSRAND  
(9/98-3/99)
Graduate School of Public and Development Management Part Time Visiting Lecturer
- Lectured for the Economic Policy Module of the Masters of Management full-time degree program and the Local Government Development Program
- Lectured for the Economic Policy Module of the Masters of Management full-time degree program and the Mpumalanga Management Program

Johannesburg, South Africa

AFRICARE (1/99-3/99)
Independent Consultant
- Helped build organizational and operational capacity in the Luckau Cooperative, a maize farmers' co-op in the rural Northern Province of South Africa
- Developed a financial plan to restructure the loss-making units of the co-op, to resolve the co-op's pre-existing financial crisis, to identify a new business activity in which the co-op could engage, and to seek a bank loan in order to purchase land

New York, New York

BUSINESS LINK CONSULTING (1/97-9/97)
Independent Consultant
- Researched the market for computer training materials for the proposed for-profit subsidiary of a nonprofit organization
- Provided projections of computer training market size and growth and prepared financial business plan for use by investors
- Researched and analyzed the market for physician service organizations (PSOs) in the New York metropolitan region
- Provided analyses of regional competitors in the PSO industry and regional demand by various physician specialties

Newark, New Jersey

NEW COMMUNITY FEDERAL CREDIT UNION (1/97-5/97)
Independent Consultant
- Researched and documented the key elements of successful home ownership initiatives and programs around the country
- Provided a report that facilitated the client's expansion of its lending activities to include home ownership programs

Little Rock, Arkansas

WINTHROP ROCKEFELLER FOUNDATION (7/96-1/97)
Independent Consultant
- Researched resources in Arkansas devoted to promoting youth entrepreneurship among low-income populations
- Recommended strategies for expanding both business training and business creation in the state of Arkansas

Pine Bluff, Arkansas

UNIVERSITY OF ARKANSAS AT PINE BLUFF (11/94-8/96)
Economic Research and Development Center
Economic Development Specialist
- Provided technical assistance in the form of financial analyses, feasibility studies, and business plans to small businesses located in the impoverished rural Mississippi Delta Region
- Facilitated regional development finance by packaging over $25 million in loan and grant proposals for the establishment of economic and community development loan funds

Newark, New Jersey

PRUDENTIAL INSURANCE COMPANY  (6/93-9/93)
Asset Management Analyst
- Performed financial analysis of and due diligence on lease transactions between Prudential and its major clients
- Developed a financing proposal for Pace University to partially pay for a vacant office building by bartering its scholarships
Phillip Gordon McKinley, M.D.
5219 Reynier Avenue
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EDUCATION
2003-2005 COLUMBIA BUSINESS SCHOOL New York, NY
Master of Business Administration
Coursework includes strategy, operational analysis, finance, valuation, and private equity. Member- Healthcare Management Assoc, Private Equity/VC Assoc.

1987-1993 UNIVERSITY OF MICHIGAN MEDICAL SCHOOL Ann Arbor, MI
Medical Doctorate
Focus in Emergency Medicine. NIH Health Policy and Management Fellowship Finalist

1984-1986 CALIFORNIA STATE UNIVERSITY Hayward, CA
Master of Public Administration
Health care administration option. Focused on the impact of public and private market forces on health care delivery.

1979-1984 UNIVERSITY OF CALIFORNIA, BERKELEY Berkeley, CA
Bachelor of Arts-Genetics and Philosophy
Research assistant in the Department of Microbiology and Immunology utilizing tools of genomic research

CONSULTING EXPERIENCE
2004-2005 THE JL COMPANY New York, NY
Consultant
Research and analysis of best clinical practices and disease management content. Manage physician participation across the company’s business lines. Strategy and product development within various projects and initiatives.

CLINICAL EXPERIENCE
2000-2004 WESTCHESTER SQUARE MEDICAL CENTER Bronx, NY
Attending physician in Emergency Department. Developed methodologies to improve operational efficiency and decrease departmental cost. Streamlined triage process and patient throughput. Improved quality of care and compensation recovery by 12%.

1998-2000 EAST LOS ANGELES DOCTORS HOSPITAL Los Angeles, CA
Chief Operating Medical Officer for emergency services. Led expansion of emergency services at contracted facility and served as liaison between physician group and hospital. Participated on teams which addressed quality
assurance and improvement initiatives aimed at decreasing patient wait time and increasing overall satisfaction. Managed physician/staff relationship issues.

1998-2000  SUBURBAN MEDICAL CENTER  Paramount, CA
Attending physician in Emergency Department

1993-1997  LAC/USC MEDICAL CENTER  Los Angeles, CA
Resident in Emergency Medicine program.
Review of clinical data and evidence based medical protocols to assist in delivering cost efficient, quality health care.

LOCUM TENENS
2005-Present  OCEAN MEDICAL URGENT CARE  Redondo Beach, CA
HEALTH CARE PARTNERS MEDICAL GROUP  Los Angeles, CA

COURSES
Emergency Medicine Ultrasound
Neonatal Life Support
Pediatric Advanced Life Support
Advanced Cardiac Life Support, Instructor
Advanced Trauma Life Support

HONORS/AWARDS
NIH Health Policy and Management Fellowship Finalist, 1988
Delegate, Student National Medical Association, 1988
Outstanding Young Men of America, 1986

RESEARCH
Henry Ford Hospital, Department of Urology
Detroit, Michigan (December 1991-June 1992)
“Incidence of Prostate Cancer in the immunosuppressed Population”
Presented at the National Medical Association 1992 Symposia

University of California, Los Angeles
Los Angeles, California (October 1986-May 1987)
Full time salaried research associate in the Department of Neuropsychology under the direction of John Leibeskind, Ph.D.

PROFESSIONAL AFFILIATIONS
American Medical Association  1987-Present
American College of Emergency Physicians  1993-Present
California Medical Association  1993-Present
Volunteer Clinical Faculty, USC School of Medicine 1995-1997
National Medical Association  1987-Present

FOREIGN LANGUAGE
Spanish, Portuguese
MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING, dated March 18, 2014 (this “MOU”) between TRINDADE VALUE PARTNERS, INC., a New York corporation (“Trindade”), and HEALTHCARE MANAGEMENT PARTNERS, LLC, a Delaware limited liability company (“HMP”) (each of Trindade and HMP being herein called a “Party”, and collectively, the “Parties”) with respect to the LICH Project (as defined herein). This MOU represents an understanding with respect to certain transactions as to which the parties agree to proceed with in good faith, the detailed obligations of the Parties (other than those specified in Section 7 hereof, which are effective as of the date hereof) are subject to further negotiation and refinement and shall only be as set forth in one or more definitive agreements between the parties (“Definitive Agreements”).

1. The Parties are entering into this MOU in furtherance of a planned project pursuant to which one or more entities formed by the Parties (any or all of which may include other investors or participants) will pursue a transaction involving management of Long Island College Hospital (“LICH”) and certain related assets and properties (the “LICH Project”).

2. Trindade shall submit to the State University of New York (“SUNY”) a response to the outstanding Request for Proposals (the “RFP”) with respect to LICH. The response shall present a structure for the management of the LICH hospital and other related healthcare entities via a co-owned subsidiary. The Subsidiary, when formed, will be owned 90% by Trindade (or its affiliates), and 10% by HMP (or its affiliates).

3. At such time, if any, as Trindade is selected to negotiate the final terms of the proposed LICH transaction with SUNY, Trindade shall engage (or cause the Subsidiary to engage, as applicable) HMP to provide consulting services with respect to the LICH transaction. The Parties will enter into one or more Definitive Agreements with respect to such consulting arrangement, which shall provide for, among other things, the following:

   • Promptly upon the engagement of HMP, Trindade shall reimburse HMP for all out-of-pocket travel expenses and similar expenses incurred by HMP in connection with the LICH Project to date assuming these expenses fall under the parties’ prior agreed to terms.
   • Promptly upon the engagement of HMP, Trindade shall pay HMP a retainer of $150,000, against which HMP shall bill for its consulting services at rates representing a 50% discount from HMP’s normal rates in effect at the time. If HMP’s earned fees and expenses exceed the retainer, HMP shall bill Trindade for, and Trindade shall pay, such fees and expenses on a current, as-incurred basis for the duration of the consulting arrangement.
   • HMP shall have the exclusive right and option, upon the creation of the Subsidiary, to serve as manager of the Healthcare Facility for an initial term of not less than 10 years.
4. Upon the creation of the Subsidiary, the relevant parties shall enter into a mutually agreeable management agreement (the "Management Agreement") with HMP, which shall include, among other things, the following provisions:

- HMP will be paid a management fee equal to 1% of the net revenues of the Healthcare Facility, but not less than $1,000,000 per year (the "Minimum Fee"). If for any reason the Parties determine that such percentage management fee is not agreeable or deemed unreasonable, the Parties will negotiate in good faith for an alternative fee structure designed to preserve as nearly as possible the intended economic benefits of the percentage management fee arrangement in a manner consistent with applicable law.

- HMP shall initially provide qualified personnel to serve as the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief Medical Officer and Chief Nursing Officer of the Healthcare Facility. HMP shall also have the option of providing qualified personnel to serve in additional senior management positions for the Healthcare Facility until such time as all senior management positions are staffed.

- In addition to the Management Fee, HMP will pass through to the Healthcare Facility the direct employment cost of HMP personnel employed to provide services at the Healthcare Facility (including salary, benefits and any other directly-related employment expenses such as recruitment expense).

- The management fee and such employment-cost reimbursement shall be paid to HMP in full each year prior to any distribution of income or cash flow to the investors in the Subsidiary. The Subsidiary may make interim distributions of income or cash flow so long as it maintains cash reserves adequate to pay the management fee.

5. The governing documents of the Subsidiary shall provide that HMP has the right and option to be bought out of the Subsidiary at a fair market value price if Trindade elects to sell the Subsidiary or its interest therein or otherwise to exit the healthcare business with respect to the LICl Project.

6. All of the foregoing provisions shall be embodied in mutually agreeable Definitive Agreements, satisfactory in form and substance to the Parties. The description of such provisions in this MOU constitutes the Parties' agreement to negotiate such Definitive Agreements in good faith, but the final and detailed terms of the agreements between the Parties (and the Subsidiary and any other relevant entities) with respect to such matters shall be only as set forth in the Definitive Agreements.

7. Notwithstanding any contrary provision of this MOU, the following provisions are expressly made binding upon the Parties upon the execution and delivery of this MOU, whether or not any Definitive Agreements are ever executed and delivered:

   A. The Parties each acknowledge and agree that, in the course of pursuing the LICl Project, they each may come into possession of confidential and proprietary information belonging to the other Party. Upon any termination of this MOU (other than in connection with the execution and delivery of final Definitive Agreements), each Party shall discontinue use of
the other Party’s confidential and proprietary information and shall return such information, however embodied, to the other Party.

B. Without limiting the generality of the foregoing, Trindade acknowledges and agrees that (i) HMP has special knowledge, expertise and experience in the healthcare industry that it is making available to Trindade solely for the purpose of responding to the RFP for the LICH Project, (ii) all HMP analyses, proposals, strategies, etc., with respect to the proposed management and operation of the Healthcare Facility (collectively, the “Healthcare Facility Materials”) are confidential and proprietary information of HMP, and (iii) if this MOU is terminated for any reason (including, but not limited to, a decision by Trindade to withdraw from the LICH Project), (a) Trindade (including the Subsidiary and any other affiliates) shall have no further right to use the Healthcare Facility Materials without the express prior written consent of HMP, which may be conditioned by HMP upon the payment by Trindade or a third party to HMP of an amount sufficient to reimburse its reasonable expenses incurred in connection with the LICH Project and, if only if Trindade continues to pursue a transaction with LICH and does not cause HMP to be retained in connection therewith, mutually agreeable reasonable compensation for HMP’s services provided through the date of termination; and (b) if and only if Trindade is not selected to proceed with a transaction with LICH or elects not to do so, HMP may make the Healthcare Facility Materials available to any other person or entity with which HMP may determine to continue to pursue a potential transaction involving LICH, provided that HMP may not use or disclose any confidential or proprietary information of Trindade and that HMP pays or causes a third party to pay Trindade an amount sufficient to reimburse its reasonable expenses incurred in connection with the LICH Project through the date of termination.

C. Either Party may terminate this MOU at any time prior to the execution and delivery of Definitive Agreements, with or without cause, upon written notice to the other Party.

D. Notwithstanding any termination of this MOU, each party shall maintain the confidentiality of, and shall not use or disclose, any confidential or proprietary information belonging to the other Party (subject, however, to the provisions of Section 7.B above).

E. This MOU shall be governed by the laws of the State of New York, applied without giving effect to any conflicts-of-law principles.

F. Each Party hereby waives any right to trial by jury with respect to any dispute or claim, which may arise under this MOU.

G. For the avoidance of doubt, the provisions of this MOU shall, without any action by any Party, cease to have any force or effect if and to the extent they are superseded by the provisions of any Definitive Agreements covering substantially the same subject matter.
IN WITNESS WHEREOF, the Parties, by their respective duly authorized signatories, have executed and delivered this MOU as of the day and year first above written.

TRINDADE VALUE PARTNERS, INC.

By

Mr. Derek Oubre

Its

President and CEO

DATE: 3/18/2014

HEALTHCARE MANAGEMENT PARTNERS, LLC

By

Managing Director
MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING, dated March 18, 2014 (this “MOU”) between TRINDADE VALUE PARTNERS, INC., a New York corporation (“Trindade”), and FRANCIS CAUFFMAN, INC., a Pennsylvania S Corp. (“FC”) (each of Trindade and FC being herein called a “Party”, and collectively, the “Parties”) with respect to the LICH Project (as defined herein). This MOU represents an understanding with respect to certain transactions as to which the parties agree to proceed with in good faith, the detailed obligations of the Parties (other than those specified in Section 7 hereof, which are effective as of the date hereof) are subject to further negotiation and refinement and shall only be as set forth in one or more definitive agreements between the parties (“Definitive Agreements”).

1. The Parties are entering into this MOU in furtherance of a planned project pursuant to which one or more entities formed by the Parties (any or all of which may include other investors or participants) will pursue a transaction involving management of Long Island College Hospital (“LICH”) and certain related assets and properties (the “LICH Project”).

2. Trindade shall submit to the State University of New York (“SUNY”) a response to the outstanding Request for Proposals (the “RFP”) with respect to LICH. The response shall present a structure for the management of the real estate related assets acquired along with the LICH hospital and other related healthcare entities via a co-owned subsidiary. The Subsidiary, when formed, will be owned 90% by Trindade (or its affiliates), and 10% by FC (or its affiliates).

3. At such time, if any, as Trindade is selected to negotiate the final terms of the proposed LICH transaction with SUNY, Trindade shall engage (or cause the Subsidiary to engage, as applicable) FC to provide consulting services with respect to the LICH transaction. The Parties will enter into one or more Definitive Agreements with respect to such consulting arrangement, which shall provide for, among other things, the following:

   • Promptly upon the engagement of FC, Trindade shall reimburse FC for all out-of-pocket travel expenses and similar expenses incurred by FC in connection with the LICH Project to date assuming these expenses fall under the parties’ prior agreed to terms.
   • Promptly upon the engagement of FC, Trindade shall pay FC a retainer of $150,000. If FC’s earned fees and expenses exceed the retainer, HMP shall bill Trindade for, and Trindade shall pay, such fees and expenses on a current, as-incurred basis for the duration of the consulting arrangement.
   • FC shall have the exclusive right and option, upon the creation of the Subsidiary, to serve as architect of the Healthcare Facility and for residential development.

4. Upon the creation of the Subsidiary, the relevant parties shall enter into a mutually agreeable management agreement (the “Management Agreement”) with FC, which shall include, among other things, the following provisions:
• Francis Cauffman will be paid a management fee equal to 1% of the construction cost for each facility. If for any reason the Parties determine that such percentage management fee is not agreeable or deemed unreasonable, the Parties will negotiate in good faith for an alternative fee structure designed to preserve as nearly as possible the intended economic benefits of the percentage management fee arrangement in a manner consistent with applicable law.

• In addition to the project Management Fee, FC’s contract for the Healthcare Facility and Residential Facilities will include standard and customary fees for required services.

• The management fee and such employment-cost reimbursement shall be paid to FC in full each year prior to any distribution of income or cash flow to the investors in the Subsidiary. The Subsidiary may make interim distributions of income or cash flow so long as it maintains cash reserves adequate to pay the management fee.

5. The governing documents of the Subsidiary shall provide that HMP has the right and option to be bought out of the Subsidiary at a fair market value price if Trindade elects to sell the Subsidiary or its interest therein or otherwise to exit the healthcare business with respect to the LICH Project.

6. All of the foregoing provisions shall be embodied in mutually agreeable Definitive Agreements, satisfactory in form and substance to the Parties. The description of such provisions in this MOU constitutes the Parties’ agreement to negotiate such Definitive Agreements in good faith, but the final and detailed terms of the agreements between the Parties (and the Subsidiary and any other relevant entities) with respect to such matters shall be only as set forth in the Definitive Agreements.

7. Notwithstanding any contrary provision of this MOU, the following provisions are expressly made binding upon the Parties upon the execution and delivery of this MOU, whether or not any Definitive Agreements are ever executed and delivered:

A. The Parties each acknowledge and agree that, in the course of pursuing the LICH Project, they each may come into possession of confidential and proprietary information belonging to the other Party. Upon any termination of this MOU (other than in connection with the execution and delivery of final Definitive Agreements), each Party shall discontinue use of the other Party’s confidential and proprietary information and shall return such information, however embodied, to the other Party.

B. Without limiting the generality of the foregoing, Trindade acknowledges and agrees that (i) FC has special knowledge, expertise and experience in the healthcare industry that it is making available to Trindade solely for the purpose of responding to the RFP for the LICH Project, (ii) all FC analyses, proposals, strategies, etc., with respect to the proposed management and operation of the Healthcare Facility (collectively, the “Healthcare Facility Materials”) are confidential and proprietary information of FC, and (iii) if this MOU is terminated for any reason (including, but not limited to, a decision by Trindade to withdraw from the LICH Project), (a) Trindade (including the Subsidiary and any other affiliates) shall have no further right to use the Healthcare Facility Materials without the express prior written consent of
FC, which may be conditioned by FC upon the payment by Trindade or a third party to HMP of an amount sufficient to reimburse its reasonable expenses incurred in connection with the LICH Project and, if only if Trindade continues to pursue a transaction with LICH and does not cause FC to be retained in connection therewith, mutually agreeable reasonable compensation for FC’s services provided through the date of termination; and (b) if and only if Trindade is not selected to proceed with a transaction with LICH or elects not to do so, FC may make the Healthcare Facility Materials available to any other person or entity with which FC may determine to continue to pursue a potential transaction involving LICH, provided that FC may not use or disclose any confidential or proprietary information of Trindade and that FC pays or causes a third party to pay Trindade an amount sufficient to reimburse its reasonable expenses incurred in connection with the LICH Project through the date of termination.

C. Either Party may terminate this MOU at any time prior to the execution and delivery of Definitive Agreements, with or without cause, upon written notice to the other Party.

D. Notwithstanding any termination of this MOU, each party shall maintain the confidentiality of, and shall not use or disclose, any confidential or proprietary information belonging to the other Party (subject, however, to the provisions of Section 7.B above).

E. This MOU shall be governed by the laws of the State of New York, applied without giving effect to any conflicts-of-law principles.

F. Each Party hereby waives any right to trial by jury with respect to any dispute or claim, which may arise under this MOU.

G. For the avoidance of doubt, the provisions of this MOU shall, without any action by any Party, cease to have any force or effect if and to the extent they are superseded by the provisions of any Definitive Agreements covering substantially the same subject matter.

IN WITNESS WHEREOF, the Parties, by their respective duly authorized signatories, have executed and delivered this MOU as of the day and year first above written.

TRINDEADE VALUE PARTNERS, INC.

By

[Signature]

Mr. Derek Oubre

Its President and CEO

FRANCIS CAUFFMAN, INC.

By

[Signature]

President