

# FRONT LINES

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## ADVISORY BOARD TO BE IMPLEMENTED

As THA Solutions Group was developing its new mission, vision and strategic plan, it became very evident that Solutions Group's success was directly related to how well it understood the needs and priorities of member hospitals. To that end, the first strategic goal states, "We will build strong relationships with customers by understanding their needs and priorities."

This goal will be achieved in a variety of ways. One way is to insure sure that the THA membership has ample opportunity to be involved

in establishing direction and priorities for Solutions Group. Historically, this responsibility has been with the THASG board. While the board certainly has and will continue to play a key role in directing Solutions Group, it was felt that additional input would be beneficial as well.

As a result, an advisory panel has been developed to provide the opportunity for greater input of the membership to the Solutions Group staff. The primary role of the advisory panel will be to assist Solutions Group staff in identifying areas of need

and in establishing priorities for attention.

The panel will have approximately 20 members and will be very diverse. Members will include individuals from administration, finance, nursing, human resources, materials management and plant operations.



## WOODARD MARKETING, LLC

Woodward Marketing, LLC is the THA Solutions Group endorsed vendor for natural gas transportation.

Woodward is Tennessee's largest natural gas supplier and capacity manager. It has extensive knowledge of pipeline and utility operations.

The company has provided substantial savings during the past year for several hospitals in Tennessee. As an example, during the initial phase of the contract, there were

three institutions that could have saved over \$180,000 per year by switching to the THA Solutions Group contract, but chose to use the THA contract to leverage their current supplier for those savings.

There are several variations in the pricing of this product, including fixed price, price caps, price "collars" and index pricing tied to the Nymex pricing. The supply of natural gas can be based on a "firm" supply, an "interruptible"

supply, or a "limited interruptible" supply. Woodward also will forecast, balance and monitor the hospital's daily usage of natural gas.

Hospitals that would like to know if they qualify for this program or would like additional information, should call Wes Reade at THA Solutions Group, 615-401-7418, or Rob Ellis at Woodward Marketing, 615-595-2878.

## TVIR ECLIPSES \$7 MILLION MARK

In 1983, several Tennessee hospitals, through THA, ventured to start a hospital-owned insurance captive. Since that time, The Virginia Insurance Reciprocal (TVIR), through the Tennessee Casualty Insurance Program (TCIP), has returned over \$7 million to its Tennessee subscribers.

As a reciprocal, TVIR is owned by its member hospitals. Consequently, all profits (equity) are allocated to each subscriber's equity account. In addition to the \$7 million already returned, the subscriber's equity accounts total more than \$11 million, which is to be used to cushion major downswings in the insurance markets and, if history is any indicator, for distribution in the future.

The funds enjoy an excellent rating by A.M. Best. To further protect its members, TCIP/TVIR also is non-assessable.

The governance structure of TVIR benefits its insured hospitals by allowing hospital executive input into the operations and actions of its insurance program. The TVIR board and TCIP committee is comprised of, and selected by, executives from its insured hospitals.

Four members of the TVIR board are from Tennessee hospitals: Jim McMackin, Cumberland Medical Center; Grady Scott, Copper Basin Medical Center; Jon Foster, Baptist Hospital of East Tennessee; and Greg Duckett, Baptist Memorial Health Care Corporation.

Bill Sugg, Sumner Regional Medical Center, and Craig Becker, THA, are members of The Reciprocal Group board, which serves as the management committee. Sugg currently is chair of this board.

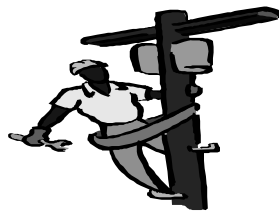
Most important to Tennessee hospitals is the regional TCIP board, which is comprised of 10 Tennessee hospital executives who govern the local program and its operations. This approach focuses the insurance program on the needs of the healthcare industry.

Despite the current period of instability and downturn in the insurance market, TVIR/TCIP still is going strong. The relationship with TVIR and its participating member institutions has been excellent. Should hospitals need any assistance in their liability or other insurance, contact David Kumatz or Mark Foulke at 800-274-8847.

## BTI EXPANDS ITS SERVICES

In March of 1999, THA Solutions Group endorsed BTI as the preferred vendor for long distance services. Several hospitals have chosen BTI as their long distance provider, and have been pleased with the service and attention received.

BTI is about to embark on an enhancement to the services they offer. They currently are installing a local switch in



Knoxville that will be operable in the third quarter, as well as a local switch in Nashville that is scheduled for the end of the fourth quarter.

These switches will allow BTI to furnish local service independently of any other provider, and should reduce the cost of local service to THA members in these areas.

For more information about BTI and its services, contact John Stephens of BTI at 865-558-8000 or via e-mail at [john.stephens@btitele.com](mailto:john.stephens@btitele.com).

### THA SOLUTIONS GROUP ALERT

<b>Mercury Disposal Regulations</b>	<b>For More Information</b>	<b>THASG Vendor Solution</b>
Fluorescent lights, their ballasts, and other equipment containing mercury must be recycled or disposed in accordance with new regulatory restrictions imposed by the Federal Environmental Protection Agency as of July 6, 1999.	<b>40 CFR Part 273</b> go to <a href="http://www.epa.gov/epaoswer/hazwaste/id/merc-emi/merc-emi.htm">www.epa.gov/epaoswer/hazwaste/id/merc-emi/merc-emi.htm</a>  <b>Rule 1200-1-11-.12 Standards for Universal Waste Management</b> go to <a href="http://www.state.tn.us/environment/swm/mclmemo.htm">www.state.tn.us/environment/swm/mclmemo.htm</a> .	<b>Telecom Logistics</b> ----- Contact Grady Hall at 615-902-0705 or Wes Reade at THASG 800-258-9541