

SHARING

THA - Endorsed Products and Services

Volume 2, No. 4

Winter 2010

Streamlining Annual Enrollment

*Smooth Process Helps Hospitals
Reduce Time, Paperwork and Stress*

Managing Collections

*Balancing Bad Debt Collection with
Community Relations*

Moving on Up

*Easing Job Transitions through
Outplacement Counseling*



Birds of a Feather Save Together

*Group Contract Saves Hospital
Coalition Millions in Energy Costs*

Executive Recruitment

*Finding Hospital Executives during
Tough Economic Times*

A M E S S A G E F R O M T H E C E O

Where does the time go? As I look back on HealthSHARE's accomplishments in 2010, I'm amazed at how much can be achieved in just 12 short months. HealthSHARE and the 72 companies that bear the prestigious Texas Hospital Association-endorsed company status played a key role in THA's financial health in fiscal year 2010. These companies contributed \$526,000 in royalty payments to THA – helping THA maintain its current dues rate for the sixth year in a row. With the economy still in recovery and health care facing an uncertain future, I'm proud that HealthSHARE was able to contribute in this way.



It wasn't just THA that benefitted from the work of the endorsed companies, of course. These companies also made a significant impact on THA-member hospitals' bottom lines. Hospitals that used THA-endorsed companies saw savings and discounts totaling millions of dollars this year. The savings will only increase in the future as we continue to endorse more companies providing innovative, affordable solutions to the issues hospitals face today.

I thank you for your support throughout this year and wish you and yours a happy and healthy 2011. Please feel free to contact me at jdixon@tha.org with any thoughts or concerns.

James M. Dixon
President/Chief Executive Officer



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SPOTLIGHT: PHYSICIAN RELATIONSHIPS

As a wholly owned subsidiary of the Texas Hospital Association, HealthSHARE markets best-of-breed, competitively priced products and services offered through THA-endorsed companies that benefit hospitals' quality, service and bottom line. Each issue of *Sharing* spotlights a different category of services. This issue, the spotlight is on physician relationships.

HealtheCAREERS Network

HealtheCAREERS Network specializes in online recruitment, advertising and career solutions for the health care industry. Through its network of websites, more than 120 association career centers and other distribution partners, HeCN makes it easy for employers to recruit and retain qualified candidates and for job seekers to find the right positions. HeCN offers multiple opportunities for connections between top hospitals or health care systems and qualified job seekers. Jobs strategically cross-post on HealtheCAREERS.com, MedHunters.com and all relevant professional health care association sites as well as the health care section of all relevant bizjournal.com markets.

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Hospital Receivables Services Inc.

Hospital Receivables Services Inc. collections and accounts receivables services bring accounts up-to-date and help hospitals keep them current. The company is a 501(c)(3) nonprofit cooperative owned by the facilities it serves, which share in the company's profits. HRS provides receivables management, account termination, preferred billing for "early outs" and long-term accounts, collections seminars, detailed reports and prompt remittance.

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Merritt Hawkins

Merritt Hawkins is an AMN Healthcare company specializing in physician search and placement. Merritt Hawkins' mission is to create enduring matches between health care organizations and providers seeking to enhance their professional and personal lives. Services include a thorough physician needs assessment with the client prior to beginning a search and consulting in employment and legal agreements, practice financials, and medical staff succession planning. The company also places allied health professionals in select disciplines. Merritt Hawkins guarantees its placements for six months and performs its services at competitive rates. With its corporate office located in Irving, Merritt Hawkins offers decades of experience working in Texas.

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Press Ganey Associates Inc.

Patient satisfaction is an important component of a comprehensive outcomes measurement system and quality report cards. Press Ganey's satisfaction measurement system is designed to provide tested, reliable surveys that measure patient experiences in a wide range of health care settings, from inpatient hospitals to physician offices. The results, which are used by hundreds of health care providers nationwide for quality improvement initiatives, provide comparisons to Press Ganey's extensive national and regional comparative databases. The comprehensive analyses help you benchmark to best practices.

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Staff Care Inc.

Staff Care is an AMN Healthcare company that matches qualified doctors in all specialties with health care organizations requiring temporary physician services. These locum tenens physicians cover temporary vacancies, typically lasting from one week to one year, and help organizations maintain patient care, referrals and revenue by covering vacancies due to staffing shortages, vacations, new clinics, training, increased census and more. Staff Care's consultants provide physicians for hospitals, clinics, correctional centers, psychiatric facilities, networks, government institutions and managed care entities.

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Managing Collections: Balancing Bad Debt Collection with Community Relations

BY BARBARA WRAY

When a customer can't pay his bill, he may be under a little stress. When that customer is a hospital patient, he may be under a lot of stress. That's why Hospital Receivables Service Inc. and its wholly owned subsidiary Medical Debt Management Inc. take a compassionate, patient-centered approach to their debt collection efforts.

Jack Fischer, vice president of Medical Debt Management, recently spoke with a patient who had been diagnosed with multiple myeloma and was distraught over her inability to pay her medical bills. "We're not just about collecting accounts, although that's our number one mission. We understand this is a unique debt, and we go about collecting it in a dignified and civil manner," he said. "There's a right time to realize I'm not going to make us or the hospital any money, but I can help this person out."

Medical Arts Hospital in Lamesa is just one Texas hospital that relies on HRS to help maximize receivables. Steve Brock, chief financial officer of Medical Arts Hospital, has worked with HRS for years.

"We've always had a good rapport with HRS staff, and we like and respect them a lot. They're happy to tailor their approach to take a softer approach or go full blast if you want to play hardball," Brock said, noting that Medical Arts Hospital's board felt more comfortable with a softer approach. "Their collection rate is above our expectations, and complaints about their collection techniques are almost nonexistent."

HRS collections and accounts receivables services bring accounts up-to-date and help hospitals keep them current. The company is a nonprofit cooperative owned by the facilities it serves, which share in the company's profits. HRS provides receivables management, account termination, preferred billing for "early outs" and long-term accounts, collections seminars, detailed reports and prompt remittance.

Finding a balance between effective collections and community relations is HRS' forte. "Hospitals are struggling. The last thing they need or appreciate is the community saying their collection agency is a bunch of thugs," said Fisher. "Patients will go somewhere else, and that approach doesn't work with this type of debt collection anyway."

East Texas Medical Center Tyler has been an HRS customer for 20 years. Ken Hodo, business office manager, said, "Based on our history with HRS staff, they're a winning team. They take pride in what they do, and they stay up-to-date on the latest fair credit collections laws. I have confidence they're working in the best interest

of our organization. We're turning over our patient accounts and reputation, and that confidence is well earned."

East Texas Medical Center Tyler has had a similar experience to Medical Arts Hospital in that complaints about HRS' collection techniques have been minimal. "I've maybe seen two complaints against them, and both were unfounded," said Hodo.

About 80 percent of HRS' clients are small community hospitals, and some hospitals have been clients for more than 50 years. "We know our customer demographics, and we take all that into consideration when it comes to our approach to collection," said Fischer, who currently serves as president of the Texas chapter of the American Tax Collectors Association. "If you don't do that homework, you won't be successful with this type of account. You have to understand the target community and know what it's dealing with."



The nationwide average for recovery on bad debt collection is about 4 percent. HRS averages about 5.5 percent to 6 percent.

The Fair Debt Collection Practices Act dictates how debt collectors can act when collecting a debt. "This is a tightly regulated industry, and we stay well within the FDCPA guidelines. We've never been sued for a violation," said Fischer. "We recover at industry standard rates and better, but we do it within the guidelines of the law, protecting a hospital's reputation and standing in the community."

For more information about Hospital Receivables Service Inc., contact Doug Smith at douglasismith@sbcglobal.net or 972/243-5431 or go to www.hospitalreceivables.org. *

Barber Honored with THA Pioneer Award

HealthSHARE congratulates Karen Barber, RN, chief executive officer of Yoakum Community Hospital, for receiving the 2010 Texas Hospital Association Pioneer Award, which recognizes excellence in rural hospital management. Barber received the award at a luncheon during the Texas Rural Health Forum on Nov. 11 in Austin. The award is sponsored by THA's Rural Hospital Constituency Section and underwritten by HealthSHARE and the Texas Hospital Insurance Exchange.



Barber

Yoakum Community Hospital is a 25-bed critical access hospital owned by the Yoakum Hospital District and managed by Community Hospital Corporation. Barber, who began her career as a nurse at the hospital in 1992, was promoted to chief executive officer in 2006. During her tenure, the hospital has added new physicians and services, begun the transition to electronic medical records and paid down a significant portion of its debt. In addition, Barber is credited with improving board and community relations as well as employee morale.

Fischer Named President of ACA of Texas

Jack Fischer, vice president of Medical Debt Management Inc., a wholly owned subsidiary of Hospital Receivables Service Inc., has been named president of the American Collectors Association of Texas and will lead the chapter through the next calendar year. ACA of Texas is the second-largest state chapter of the American Collectors Association, an industry trade organization dedicated to providing the highest standards of debt recovery for a



Fischer

variety of business creditors, including medical providers. ACA of Texas has 183 member agencies, affiliates and vendors committed to providing the best in recovery services.

"As an industry, we face challenges we've never confronted before," Fischer said. "With the changes that the industry must tackle within the health care reform act and the consumer financial protection act, it is critical that MDM is in the forefront of providing clients with exemplarily services and conducts its business within the framework of these new laws. I am honored to lead the Texas chapter of ACA as we enter into these challenging times. Our legislators must know and understand the impact that these new laws have not only on MDM, but also, more importantly, on our hospital and physician clients."

Hospital Receivables Service Inc. and Medical Debt Management Inc. provide medical receivables management services for hospitals and physicians. For more information, go to www.hospitalreceivables.org.

Nielsen Healthcare Accepting Scholarship Applications

The Nielsen Healthcare Group now is accepting applications for the Nielsen Healthcare Group Scholarship Program, which demonstrates the company's personal and professional support of its clients by assisting them as they develop the capabilities of their staffs. Applications must be received by March 31.

The program is designed to assist non-degreed, non-credentialed staff members interested in pursuing health care-related associate degrees or certifications from accredited schools. Employees of health care organizations that have been served by the Nielsen Healthcare Group in the past two years are eligible to apply. Up to \$6,000 will be paid over a maximum period of four years from the date awarded in tuition and fees in support of the selected applicants' educational goals.

Information was mailed to eligible clients in November. Interested individuals should contact their hospital's human resources department. For more information about the Nielsen Healthcare Group, go to www.nielsenhealthcare.com.

Kost Named President/CEO of Precision Dynamics

Cecil Kost has been named president and chief executive officer of Precision Dynamics Corporation. Previously, Kost served as president and CEO of MedManage Systems Inc., which he built into the leading provider of online drug sampling. Former CEO Gary Hutchinson will continue to serve as a board member and executive advisor to PDC.



Kost

"Under Gary's leadership, PDC has achieved substantial growth to become a significant presence in the fast-growing sector of patient safety. Moving forward, the company is well positioned to expand its capabilities to have a greater impact in improving patient outcomes. Cecil's management expertise, combined with his innovative thinking and creativity, makes him the ideal executive to lead PDC through its next phase of strategic growth," said Curt Selquist, chairman of PDC's board of directors.

For more information, go to www.pdcorp.com. *

Streamlining Annual Enrollment: Smooth Process Helps Hospitals Reduce Time, Paperwork and Stress

BY TERRI SCHEXNAYDER

Each year, human resources staff at companies across the nation groan in anticipation of annual enrollment – the one time of year when employees may make changes to their elected benefit options. Inevitably, the process involves a lot of meetings, forms and time. Eileen Brown, director of recruitment and benefit at Valley Baptist Health System in Harlingen, decided enough was enough and called in the pros for help. National Benefits Group of America Inc. was more than happy to oblige.

“We have close to 3,000 employees, so NBGA was a major time-savings partner,” said Brown, who noted that the company saved her department approximately 189 weeks of work this year. “NBGA staff handled every aspect of the annual insurance enrollment process, including scheduling each employee for his or her appointment.”

The 20-year-old company, based in Tampa, Fla., markets a portfolio of insurance products, including whole life, universal life, critical illness, cancer and accident plans. NBGA provides the employee benefit education and enrollment to its clients at no charge.

Offering Peace of Mind

Ginger Garrett, director of human resources at Good Shepherd Medical Center – Marshall, was looking for a trustworthy insurance partner when she began her current position in 2006.

“When I first met with NBGA, I was still learning the processes in that department but knew the way we were conducting employee insurance enrollments had to improve,” said Garrett. “NBGA gave me such reassurance they would take care of our organization, and they certainly have done that.”

Among the many benefits NBGA provides its clients, including updated demographic data about employees and the reduction of paper applications through an electronic enrollment option, are partnerships with companies like Boston Mutual Life and Humana KMG America. John Brogan, vice president of operations at NBGA, said employers and employees alike reap the rewards from these partnerships.

“NBGA has maintained an ongoing relationship with only highly rated carriers to provide all our clients’ employees with the insurance and funding vehicles for their peace of mind. When times are hard, employees are looking for stability,” said Brogan. “After factoring in the economy and the uncertainty over health insurance, co-pays and coinsurance, you end up with an environ-

ment where supplemental insurance becomes an attractive option for employees.”

Educating and Engaging Employees

Garrett’s primary goal as the new head of HR was to create a more employee-friendly enrollment process. “It had been a manual process, held in a big open room where employees had to go from one vendor to another,” she recalled. Now, her employees meet individually with the NBGA representatives to discuss their current core and voluntary insurance coverage and additional options. NBGA’s online employee appointment scheduling is just one of the many benefits the company offers to clients.

“Our focus is on education,” said Brogan. “And, because we don’t pay any commission or incentives to our counselors, they are more like teachers than salespeople. That is very unusual in the insurance business.”

Garrett said GSMC - Marshall employees appreciate NBGA’s honest, no-pressure approach to the enrollment process. “They have said to me, ‘I liked being able to know what voluntary benefits were available without feeling like I was being pushed into buying them,’” she said.

Brogan agreed the NBGA enrollment procedures are far more streamlined than the ones that used to be in place. “Before NBGA, we had to deal with about 12 vendors just in the insurance arena. The challenge was in matching up our core benefits with our voluntary ones, as the employees met with each one of those vendors,” she said. “Now our employees can come right in, ask questions and understand their options through one NBGA rep. This helps make our employees better consumers of the product.”

Brogan said industry statistics show that an estimated 40 percent of employees will enroll in voluntary insurance benefits plans. Garrett is proud of GSMC - Marshall’s current 98.9 percent participation among its employees who meet with NBGA to review their plans. Brogan is not surprised by the level of involvement.

“These employees, as well as those at Valley Baptist, are very engaged. They ask great questions and religiously attend their appointments. This makes our job on their behalf much more efficient,” he said.

For more information about NBGA, contact David Brogan at dbrogan@nbgamerica.net or 813/933-8219 or go to www.nbgamerica.net. *

2010 NEW THA-ENDORSED COMPANIES

As of press time, the Texas Hospital Association had announced the endorsement of 13 new companies in 2010. These companies were selected with guidance from HealthSHARE staff, who conducted an extensive and lengthy due diligence process that encompasses at least three levels of review. After a company receives THA endorsement, it undergoes ongoing evaluation to ensure the company continues to meet or exceed HealthSHARE's rigorous standards of quality and service.

Achieve CCA Inc.

Achieve CCA Inc. increases revenue for hospitals by helping patients pay their health care bills and become financially healthy. Simply put, the program works by lowering the interest rates and fees on the patient's non-medical debt. This results in improved monthly cash flow for the patient, a portion of which is then used to pay the hospital bills. The approach is compassionate and mission-supportive. The financial results speak for themselves: Achieve can deliver, on average, a 9 percent incremental lift to a hospital's baseline bad debt collections efforts.

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American Medical Alert Corporation

American Medical Alert Corporation is a leading provider of 24/7 communication services to facilitate stronger, more positive relationships among patients, providers and payers. With its innovative dashboard of connectivity solutions, AMAC adds a new dimension to the health care landscape to enhance care and improve operational effectiveness.

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Carrier Corporation

Carrier Corporation is endorsed by THA for its physical plant services, including heating, ventilation and air conditioning products; building automation systems; power systems; and standby generators. In addition, Carrier provides preventative maintenance and service on boilers, rooftop units, compressors and chillers to keep systems operating efficiently. Carrier can design, replace or upgrade equipment to optimize the performance of a facility and assess a facility's energy needs.

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COBRAGuard

COBRAGuard Inc. is endorsed for COBRA administration and compliance using COBRATrak, the company's proprietary Web-based system. COBRAGuard is a certified COBRA administrator and serves more than 3,000 organizations nationwide. COBRAGuard stands behind its service with a 100 percent compliance guarantee. Through COBRATrak, hospitals can save administrative time and avoid COBRA-related hassles; tighten compliance, record-keeping and documentation; and control COBRA-related risks and liabilities through automated, outsourced administration.

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Columbia Healthcare Analytics

Columbia Healthcare Analytics can reduce blood use by 30 percent or more through interactive external utilization review of all hospital transfusions. The company's approach is unique and effective because it uses a highly summarized critique of comprehensive patient chart data to demonstrate to the physician how and why blood use may have been avoided and deferred.

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Curbside Hospitality Inc.

Curbside Hospitality Inc., founded in 1997, offers concierge, valet parking, parking/garage management and shuttle services to the health care industry. Its concierge services include lunch runs/general food pick-up, dry cleaning, car washes, travel services, personal shopping and more. Its valet attendants greet guests, open/close doors, provide directions, help with wheelchairs and luggage, control traffic, support security, hail taxicabs, and help with jump starts, flat tires, lock outs, etc., making the parking process and hospital entrance welcome, quick and efficient for patients and visitors. Curbside's parking management services make the traffic flow run more smoothly, which leaves a lasting impression on guests, and shuttle services make the commute easier and safer.

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Discovery Health Record Solutions

Discovery Health Record Solutions is a leader in the release-of-information industry. Discovery fulfills requests for medical records for health care providers and releases patient information to authorized internal and third-party requestors, such as insurance companies and attorneys. This process is regulated and monitored to protect confidentiality and is part of HIPAA compliance. Discovery enhances the ROI process through the use of technology, process design and quality control. Discovery team members are highly trained in health information management procedures and are expert at managing external requests as well as internal audits and workflow around RAC audits. Discovery increases clients' productivity, reduces operating costs and reduces compliancy risks.

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GroupOne Services Inc.

GroupOne Services Inc., a wholly owned, for-profit subsidiary of the Dallas-Fort Worth Hospital Council, is endorsed by THA for its job applicant background screening. GroupOne is staffed by experienced professionals serving more than 500 health care organizations across the county. By basing hiring decisions on GroupOne's validated data, clients experience reductions in turnover rates and employment actions while increasing patient safety. GroupOne has user-friendly, Web-based solutions with services that include county criminal research, federal compliance checks, multi-state criminal/sex offender database checks, statewide criminal database checks, professional license verification, employment and education verification, and more.

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ID Theft Solutions of America

ID Theft Solutions of America is a proactive identity theft protection agency specializing in solutions before, during and after an identity theft issue occurs. Services include on-site risk assessment; related no-cost up-to-date compliance programs; staff identity theft/legal protection; and on-site employee training addressing many state and federal identity theft and privacy laws. The program is designed to help Texas hospitals enhance and update any security measures currently in place.

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MedA/Rx

MedA/Rx specializes in revenue cycle management and extended business office services. MedA/Rx offers a complete suite of revenue cycle management services from beginning to end, including revenue cycle process consulting, interim management services, insurance follow-up, self-pay follow-up and Medicaid eligibility.

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MedDirect

MedDirect's Patient Pay Solutions program has become the company's core service and exclusive focus. MedDirect starts by treating patients with respect and establishing communication through initial scheduling and insurance verification. Communication touchpoints then are continued through problem-solving and follow-up events, including patient satisfaction surveys.

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WhiteGlove House Call Health Inc.

WhiteGlove House Call Health Inc. focuses on lowering the cost of care while improving the consumer's experience. WhiteGlove offers affordable, high-quality routine medical care at home or work 365 days a year, from 8 a.m. to 8 p.m. A WhiteGlove visit includes medical care, generic prescription medications, food, beverages and over-the-counter remedies. WhiteGlove memberships are affordable and paid for by consumers, employers or insurance companies. WhiteGlove services Austin, Dallas, Fort Worth, Houston and San Antonio and is an in-network provider for Aetna and Humana in all service areas and UnitedHealthcare in Austin and San Antonio.

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Birds of a Feather Save Together: Group Contract Saves Hospital Coalition Millions in Energy Costs

BY KAREN BRANZ

Five years ago, five hospitals in the Healthcare Coalition of Texas negotiated a group contract for their energy supplies. Cory Edmondson, vice president of support services for Midland Memorial Hospital, said the hospitals saw some benefits from pooling their power needs and negotiating as a group, but they wondered if they could do better.

“The contract we negotiated then will expire in March of 2011, and a year ago we started meeting to figure out what we should do for the next contract,” Edmondson said. “Since the energy market is so volatile, we felt we needed to hire experts to help us negotiate the contract.”

The group members invited other hospitals in the coalition to meet with them, and they started looking for an energy broker to represent the group. After a thorough interview and proposal process, they chose Priority Power Management to advise them and help them get the best deal possible.

“Early this year we started meeting with the eight hospitals that elected to be part of the group,” said John Bick, managing principal with Priority Power Management. “We went over their individual power needs – loads, the type of accounts they had, any problems they had. We also talked about their expansion plans for the next three years and how those plans would affect their energy needs.”

Ultimately, seven of the hospitals negotiated as a group for a contract that will begin in April; one hospital elected to hold off, as its current contract doesn’t end until 2013. Because the hospitals were of widely varying sizes and power needs, Priority Power helped them negotiate a contract that was flexible.

“Some of the hospitals wanted a price that would float based on an index price, and some wanted to lock in a fixed price for budget predictability,” said Bick. “We negotiated individual contracts for each hospital that would meet the hospitals’ individual financial and operational goals while still maintaining the group’s leverage to get the best price and contract terms because the power retailer knew that just one retailer was going to get all the business.”

“We were able to negotiate contracts that will save the group as a whole \$10 million over the next three years,” said Edmondson. “We couldn’t have achieved that level of savings on our own.”

Jeff Hyde, vice president of support services for Trinity Mother Frances Hospitals and Clinics in Tyler, said his organization will save \$1 million per year with the new agreement.

“Our organization was pleased with the bid process and the outcome,” Hyde said. “On our own, we did not have the intel regarding the energy market that Priority Power provided us. All

through the process Priority Power communicated well and demonstrated a high level of professionalism.”

An important part of Priority Power’s advice was in the area of timing. Originally, the group had planned to execute a contract in May or June. Though the group had worked out all the details and arrived at a short list of retailers to consider, Priority Power advised the hospitals to hold off until late September to actually execute the contract.

“When we looked at the market in May, we believed prices would continue to decline through the summer and that we could get a better price in late September,” said Bick. By the time the group pulled the trigger on the contract, prices had declined 10 percent from the May price.

Edmondson said that he is pleased that a portion of his hospital’s power will come from renewable resources like wind energy. “We knew it was available, but we didn’t know how to get it cost efficiently,” he said. “One of the great things about working with Priority Power was the education we received along the way. A lot of the details of the power market are complicated and baffling. They helped us make sense of the information. We are paying for their services, but the savings far outweigh the costs.”

For more information about Priority Power Management, contact John Bick at jbick@prioritypower.net or 972/314-9040 or go to www.prioritypower.net. *



Executive Recruitment: Finding Hospital Executives During Tough Economic Times

BY MARGARET BARRY

When Methodist Charlton Medical Center, a 307-bed acute care community hospital in Dallas, needed to recruit a vice president of nursing, there was no time to spare. There had been turnover in the hospital's leadership, so the position had been vacant for 18 months, said Jonathan Davis, FACHE, president of Methodist Charlton.

"We were in a hurry to find the perfect person," said Davis. "The biggest challenge was finding that perfect person within our short time frame."

Davis turned to Tyler & Company, a Texas Hospital Association-endorsed executive search firm. The company succeeded in finding the right candidate under considerable time pressure because the consultants assigned to the project, Nelson Mann and Allison Morris, are good listeners and good learners, according to Davis, who was impressed with their systematic and proactive approach.

"They took the time to get to know our team and learn my style," Davis said, "but they also acted with a sense of urgency and were very organized about how to move the candidates through the process."

In addition to a short time frame, Mann and Morris faced another challenge. It is difficult to attract nurses in the Dallas/Fort Worth area because there are so many hospitals vying for the same candidates, and the hospital wanted a vice president of nursing who could recruit nurses. Mann and Morris found just the right candidate, as later results showed.

"When we needed to hire additional nurses, we held a recruitment fair and hired 21 nurses in one night," Davis said. "Typically it would take two to three months to hire that many nurses. Our new vice president of nursing was able to do this because she met and talked with every nurse that came in the door that night. She showed them that if they were to come work for us, she would get to know them personally and would support them."

The challenges didn't end there. The hospital sought a vice president of nursing who not only knew how to staff a unit, but also could manage productivity, equipment and all the financial aspects of the job.

"It was a tough position to fill because we needed a nurse at heart, but one with sophisticated business acumen. She needed to be sensitive to the needs of our nursing team and to the general

operational performance of the organization," said Davis.

Mann agrees that it is challenging to find a candidate with the right balance of clinical competence and operational understanding. "The candidate ultimately chosen for the vice president of nursing impressed me during the interview as meeting both of these criteria," he said. "You screen candidates based on their resume and accomplishments, but the ultimate hire is a matter of chemistry and cultural fit."

Graham Reeve, the president and chief executive officer of Baptist Health System, a group of five hospitals in San Antonio, said the considerable challenges faced by health care in today's struggling economy – the increased pressure on hospitals to provide quality care while remaining financially viable – made finding a chief operating officer for the system especially difficult. He noted that today's chief operating officers are under considerable pressure to provide outstanding care in the face of more and more unfunded or underfunded patients.

"We gave Tyler & Company a demanding list of characteristics and qualities," Reeve said. "We wanted someone who could manage five hospitals with 1,650 licensed beds, 6,400 employees and 2,800 credentialed physicians. There are not a lot of people who fit that skill set."

Reeve said that Mann and Morris were successful because they took the time to get to know and understand Baptist's business model and all the key players. "They were very proactive about getting to know how we operate. Once you meet with all the players, you can tell what an institution is like," he said.

Mann said he spends a lot of time learning about an organization's culture and management style. "We had done many previous searches with Baptist, and we were able to use that knowledge to identify a slate of candidates that would be a good fit," he said. "The current management team is very strong, and we needed someone with complementary skills to make the team even better. The ultimate hire was a home run. It's satisfying to know that we had a small part in making that happen."

For more information about Tyler & Company, contact Nelson Mann at nmann@tylerandco.com or 512/329-2784 or go to www.tylerandco.com. *

Index Reports Health Care Inflation for Privately Insured

The cost of health care for people with employer-sponsored health insurance climbed an estimated 6.3 percent for the year ending June 30, according to a new Thomson Reuters index.

The Thomson Reuters Healthcare Spending Index for Private Insurance measures historical and current levels of per capita health care spending for individuals whose coverage is provided by self-insured employers – a segment that represents about 25 percent of U.S. health care expenditures.

Spending for hospital care increased more than spending on physician services or prescription medicines in the past year. Hospital costs increased 8.2 percent, physician costs increased 5.5 percent, and drug costs increased 3.4 percent.

Index estimates are based on the Thomson Reuters MarketScan® databases, a repository of health care claims for inpatient and outpatient services. The 2009-10 index represents the real-world treatment patterns and costs of more than 12 million employees and their dependents.

For more information, go to www.thomsonreuters.com.

Survey Indicates Average 2011 Rate Increases for HMOs, PPOs

Results from Milliman's 2010 Group Health Insurance Survey indicate estimated premium rate increases for January 2011 renewals will average 10.2 percent for health maintenance organizations and 11.7 percent for preferred provider organizations. In addition to typical rate increases due to utilization and cost experience, these planned increases also likely reflect some change due to implementing the requirements of the Patient Protection and Affordable Care Act.

The Milliman survey is unique in that it asks HMOs and PPOs to respond regard-

ing a given set of group health benefits and demographics. The survey removes three important factors that can skew the results presented in other health cost surveys: changes in plan design, shifts in premium sharing between employer and employee, and member demographics. These trends, therefore, reflect the increase in medical utilization and costs experienced/anticipated by the HMOs and PPOs.

For more information, go to www.milliman.com.

Report: Health Reform Spells End of Private Practitioners

Health reform will usher in a new era of medicine in which physicians largely will cease to operate as full-time, independent, private practitioners accepting third-party payments, according to a new report commissioned by The Physicians Foundation, a nonprofit grant-making organization composed of medical society and physician leaders, and completed by Merritt Hawkins, a national physician search and consulting firm.

Entitled "Health Reform and the Decline of Physician Private Practice," the report examines the potential effects of the Patient Protection and Affordable Care Act on medical practice in the United States. Drawing on the perspective of a panel of health care experts and executives, the report projects most physicians will follow one of four courses: They will either work as employees of increasingly larger medical groups or hospital systems, establish cash-only practices that eliminate third-party payers, reduce their clinical roles by working part-time, or opt out of medicine altogether by accepting non-clinical positions or by retiring.

The report also includes results from a national physician survey. Only 26 percent of the 2,400 respondents said they would continue practicing the way they are in the next one to three years. The remaining 74 percent said they would retire, work part-time, close their practices

to new patients, become employed and/or seek non-clinical jobs. Based on the survey and other data, the report projects health reform will worsen the ongoing physician shortage and make it harder for many patients to access a physician.

The full report is available at www.physiciansfoundation.org.

Many Workers Don't Follow Skin Antisepsis Guidelines

A survey of 1,500 hospital-based health care professionals reveals that 33 percent report they do not follow evidence-based guidelines and data for patient skin antisepsis.

This finding is especially surprising given that the survey, which was conducted by Infection Control Today and sponsored by CareFusion, shows health care professionals – many of whom are responsible for infection prevention at their facilities – rank clinical data and guidelines as the most important consideration for selecting a product for skin antisepsis.

"It's promising to see health care professionals recognize the importance of following established recommendations and guidelines for reducing health care-associated infections, but it is disappointing that these guidelines aren't being put into practice more frequently," said Allan Morrison Jr., M.D., FACP, professor and distinguished senior fellow at George Mason University in the School of Public Policy. "Given that microorganisms on patients' skin are a primary cause of HAIs, skin antisepsis should be a top priority for institutions. Additionally, adherence to clinical guidelines by all health care professionals – regardless of specialty or tenure – is critical. Fortunately, skin antisepsis measures are relatively inexpensive and easy to implement."

For more information, go to www.carefusion.com. *

Moving on Up: Easing Job Transitions through Outplacement Counseling

BY LAURA TUMA

Wayne Voss, FACHE, didn't have to look for a job for nearly two decades. At first, he slid easily from job to job, and then he landed in an organization where he moved from one challenging position to another for 12 years. Eventually, he and the organization realized it was time to part ways. The organization offered to provide outplacement counseling, and Voss knew just which company he wanted to use: Wiederhold & Associates.

Voss was drawn to Wiederhold & Associates because of its 20-year track record of success and deep knowledge of the health care industry. Unlike other transition firms, Wiederhold specializes in the health care industry and links clients to an extensive network of health care executives before, during and after a job search.

"I knew people who had used Jim Wiederhold and had a good experience," Voss said. "I was impressed by his understanding of the health care field, his contacts and his ability to network. Other firms offer typical resume help, but they don't have the networking and contacts Wiederhold has."



Even in the difficult early days of his job search, Voss knew he had made a good choice.

"I was outside my comfort zone and challenged to do things I hadn't done in a long time, like updating my resume, selling myself, networking and going to interviews. The first few months were especially difficult, but I had a person constantly providing structure and telling me what I needed to do each week. It helped me stay on track and know I was making progress," he said.

Erin Davis, vice president of operations and finance for Wiederhold & Associates, said that Voss's experience is typical.

"There is an emotional response you have to get through when you leave a job. It's a grieving process," Davis said. "We recognize that and help clients get through it. We set goals for networking calls and teach them whom to network with, how to do research and how to prepare for every step of the process."

Wiederhold became even more valuable to Voss as he prepared for the interview process. "Every time a serious interview came up, they put me in touch with three or four people who knew the organization I was interviewing with," he said. "I felt well prepared for every interview."

Voss was hired as a vice president of The Methodist Hospital System in Houston in April 2007. He now serves as chief executive officer of Methodist West Houston Hospital, a 193-bed acute care facility that opened in December. Nearly four years after concluding his job search, Voss stays in touch with Wiederhold and remains in the Wiederhold network.

"That's how we work," said Davis. "We stay with people until they're in the next position, with no time limit, and we follow up to make sure the transition is successful. Clients stay in our network permanently. We currently have a network of more than 1,000 members in health care, and we are always building it to help clients."

Many health care executives faced with making a job change don't have organizational support for outplacement counseling. Richard Parks, FACHE, chief executive officer of Covenant Health System in Lubbock, used Wiederhold's individual transition program when he left his previous employer in Tennessee. Parks was impressed with Wiederhold's knowledge, structure and attention to detail during his job search, as well as the continuing support after he assumed his position at Covenant.

"Wiederhold provided me with confidential counsel and great suggestions during the initial weeks in my new position," Parks said. "What was once a business deal is now an ongoing relationship. I appreciate the friendship and introductions to many fine folks whom I had not known in the industry." Like Voss, Parks is part of the Wiederhold network and available to others making a job transition.

Unlike many job transition firms, Wiederhold does not recruit. "We partner with recruiters rather than compete with them," Davis said. "We learn about leads every week and share those with people in our network. That's a unique advantage because we specialize in health care and have such a strong network. Health care will always remain our focus."

For more information about Wiederhold & Associates, contact James Wiederhold at jim@wiederholdassoc.com or 800/618-2650 or go to www.wiederholdassoc.com. *

HealthSHARE Summit Helps Companies Promote Their Endorsed Status

After a company makes it through HealthSHARE's extensive due diligence process to earn the coveted endorsed status, that's only the beginning. Companies need to learn how to make the most of that status to reach out to hospitals and help them provide the highest quality care efficiently and cost-effectively. That's where the annual HealthSHARE Summit comes in.

"The HealthSHARE Summit provides an opportunity for Texas Hospital Association-endorsed companies to come together and learn from one another and from THA staff," said HealthSHARE President/Chief Executive Officer Jim Dixon. "By helping endorsed companies, we help Texas hospitals and THA itself. It's a win-win situation for everyone."

More than 50 representatives from 40 THA-endorsed companies attended the HealthSHARE Summit Oct. 12-13 to learn how to make the most of their endorsed status. They heard from hospital administrators, who gave them tips on selling to Texas hospitals; HealthSHARE's four regional executives, who explained how they work to connect hospitals and endorsed companies; and THA staff, who explained the various ways endorsed companies can promote their status. Survey results showed attendees found the conference informative and valuable.



Representatives from Texas Hospital Association-endorsed companies met one another and learned how to get the most of their endorsed status during the HealthSHARE Summit.

"This was a very valuable conference," said Elizabeth Curry Watkins with HealthCare Benefits Inc. "I look forward to strengthening our partnership."

THA-endorsed companies contributed \$526,000 in royalty payments to THA in 2010, helping THA maintain the current dues rate for the sixth year in a row. For more information on HealthSHARE and THA-endorsed companies, go to www.healthshare-tha.com. *

THA 2011 Annual Conference Quickly Approaching

The 2011 Texas Hospital Association Annual Conference is almost here! The 2010 conference beat all recent years' attendance records, and attendees are still talking about what they heard there. The 2011 conference is shaping up to be even better. Make plans now to join your colleagues in Austin Feb. 2-3.

The conference program has been dramatically expanded through THA's partnership with Texas Healthcare Trustees, Texas Organization of Nurse Executives, and Texas Association for Healthcare Financial Administration. The 20-plus sessions over the two days will prepare hospital executives for the new health care model and what is certain to be a most difficult legislative session this spring. Last year's popular keynote speaker, Len Nichols, Ph.D., returns to revisit the topic of federal health care reform implementation and how hospitals can position themselves to prosper in a new world of transparency and incentive realignment. Other session highlights include:

- **Achieving High-Quality, Low-Cost Care Amidst Payment System Reform;**
- **Leadership Lessons for Promoting Health Equity;**
- **Legislative Priorities for Health Care in Texas; and**
- **Insights on Accountable Care Organizations.**

Representatives from HealthSHARE and many THA-endorsed companies will be available to discuss what they can offer Texas hospitals. Additionally, the exhibit hall will include Member Innovation Centers showcasing member hospitals' best practices. The full agenda and conference details are online, along with fast and easy online registration, at www.tha.org/conf2011. Register today! *



Nichols



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