



THIE

# ANNUAL REPORT

2020

thank you to our  
Texas, Oklahoma,  
and Arkansas  
health care  
workers



New  
Business



Growth into  
Arkansas



Surplus  
Distribution

Insurance coverage *you deserve* from  
the insurance company *you own*.

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**Did you know--  
THIE was founded in 1975  
and that all of our profits  
are allocated to our insured  
subscribers/owners?**

# From the CEO



Tess Frazier,  
President & CEO

**Tess Frazier is President & CEO of the Texas Hospital Insurance Exchange (THIE) and its attorney-in-fact, Texas Hospital Insurance Network, a wholly owned subsidiary of the Texas Hospital Association.**

Tess has been with THIE since 2003. Prior to being named president, she served as Chief Financial Officer.

As we close the door on 2020, Zoom-weary and perhaps a bit stir crazy, I am grateful for our ability to survive and to look forward with optimism to some sense of normal, albeit a new normal. I am grateful for our ability to continue to serve our healthcare facilities, retaining 100% of our existing business and adding over \$1 million of new business in the past year. The dedication and perseverance of our THIE staff is a true testament that the needs of our subscribers come first.

Insurance entities organized to exchange risk for the sole benefit of their members is a simple and intuitive concept dating back to ancient times and remains relevant today. As a reciprocal exchange owned by its subscribers, THIE has always been known for our strong foundation created over 40 years ago and for keeping our promise to be there,

in good times and bad. The promise was kept again in 2020 when the THIE Board of Directors approved a \$1 million surplus payout to our subscribers, many of whom were facing financial uncertainty while caring for their community during a pandemic.

In 2021 we look forward to traveling again, working with you in your healthcare facilities to mitigate risks and educate staff. We look forward to continuing steady growth in Oklahoma and beginning expansion into Arkansas.

We know that trust does not come in a contract, it is earned by keeping promises. On behalf of the THIE team, thank you for placing your trust in us. THIE, insurance coverage you deserve from the insurance company you own!

# From the CHAIRMAN



Columbus Community Hospital  
James Vanek

It is my continued honor to serve as chairman of the board for the Texas Hospital Insurance Exchange alongside an esteemed group of Directors.

2020 was a trying year for all of us as we maneuvered the waves of a pandemic. I not only lead my facility but witnessed hospitals and their staff across the nation as they worked tirelessly to aid those who suffered at the hands of COVID. And while the year was harsher than we could have imagined, it reminded me why I live for the work I do; protecting our communities and offering medical care to all who seek our help.

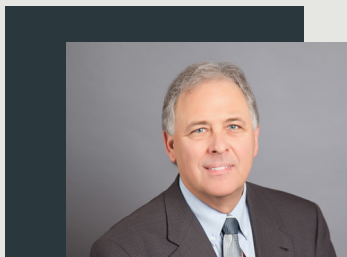
In addition, I have never been more honored to be part of an organization, than I was this past year with THIE. To say THIE is more than an insurance company is an understatement. They truly are our family; with each of its subscribers close to their heart.

Tess and her team proposed a relief fund of \$1 million in surplus distributions to support our subscribers, which the board approved, unanimously. The care and admiration for their subscribers assisted facilities during a time when funding was short and PPE was in low supply. These funds helped many stay afloat and acquire the necessary supplies to keep staff safe.

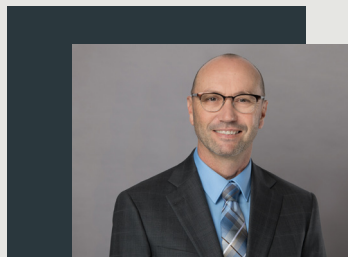
When asked “Why THIE?” it’s because there is no other option. I have worked with THIE throughout most of my 40 year career in health care and know there is no company that compares to their level of service and commitment.

Cheers to the THIE team and here’s to many more years.

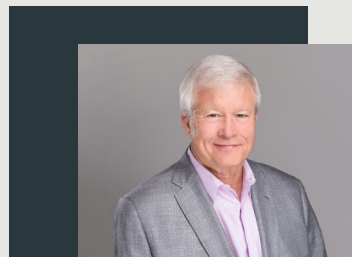
THIE is under the direction of a 13-member board of directors, comprised of hospital CEOs from across Texas and Oklahoma. Board members are elected by their peers from the THIE active subscribers.



**James Vanek**  
Columbus Community Hospital  
**Chairman**



**Robbie Dewberry**  
Mitchell County Hospital District  
**Vice Chair**



**Ted Shaw**  
Texas Hospital Association  
**Secretary/Treasurer**



**Jonathan Bailey**  
Hansford County Hospital District



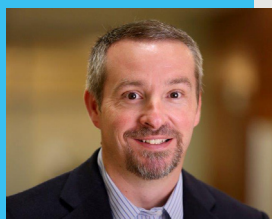
**Christy Francis**  
Hemphill County Hospital District



**Leslie Hardin**  
Seymour Hospital



**Jim Horton**  
Rankin County Hospital District



**Jeremy Jones**  
Arbuckle Memorial Hospital



**David Lee**  
Otto Kaiser Memorial Hospital



**Melanie Richburg**  
Lynn County Healthcare System



**Russell Tippin**  
Medical Center Health System



**Adam Willmann**  
Bosque County Hospital District



**Jason Wren**  
Wise Health System

**Director Emeritus**

Donna Boatright  
Mike Easley  
Dr. Sandra Wright

**Honorary Emeritus**

W. Evan Moore  
Paul McKinney  
Steve Summers

Meet the  
**BOARD**

# About our COMPANY

Providing a comprehensive range of affordable business insurance products and services for health care entities for over 40 years.



THIE offers a full package of dependable, competitively priced insurance products for healthcare providers. Whether your facility needs an evaluation of current coverage, risk management consultation, in-service education or quick claims processing, THIE delivers.

Insuring is THIE's specialty. By focusing on a single industry, THIE brings unmatched expertise and insight into the needs and challenges health care facilities face.

Years of growth and progress has allowed THIE to develop our services beyond rural care; offering our insurance products to all health care entities including hospitals, home health

care agencies, management companies and more.

At THIE, our focus is on health care entities.

Unlike insurance companies only interested in making a profit, THIE is a reciprocal exchange — meaning THIE subscribers share ownership and have a vested interest in its success.

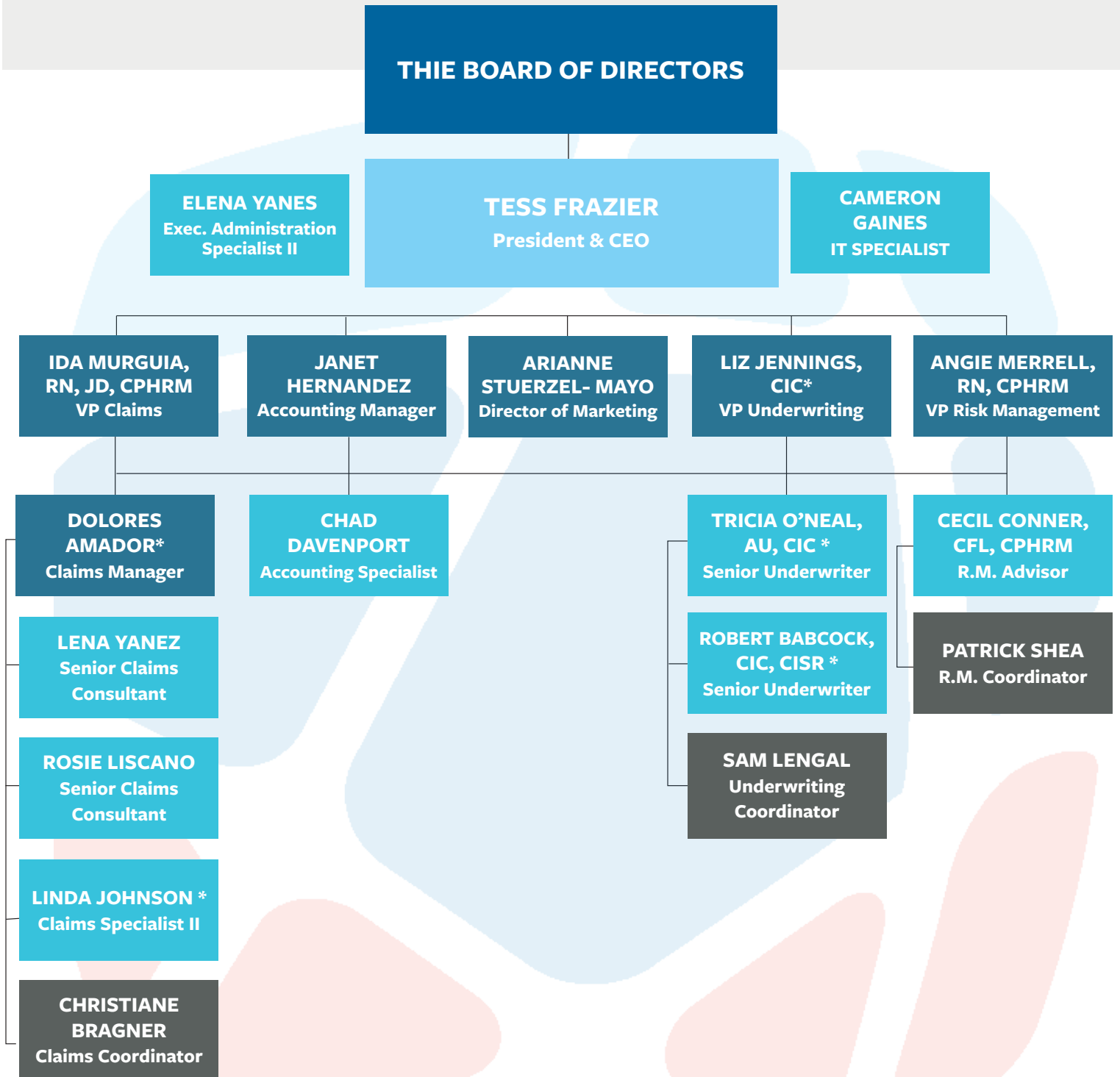
When THIE profits, so do our subscribers. Over the last ten years, over \$7 million of surplus has been refunded to our subscriber owners.

**Randy Bacus,**  
FACHE, CEO  
Parker County  
Hospital District

**THIE's Risk Management consultations are proactive. After a recent loss control survey, THIE recommended placing caution lights to alert motorists to ambulances entering and exiting the roadway at our satellite EMS station on State Highway 199 in Springtown, Texas. This intersection is now much safer as the result of THIE's recommendation.**

# Organizational Chart

A staff of nineteen, with five members\* holding the status of 20 + year employees.



# Meet the STAFF



Meet the front line staff of each THIE department; Elena Yanes- Executive Administration Specialist II, Patrick Shea- Risk Management Coordinator, Christiane Bragner- Claims Coordinator, and Samantha Lengal- Underwriting Coordinator.

This team is the go-to crew for any and all information on THIE. You may have spoken to them on the phone or via email; now it's time for you to know who you're talking to.



## **Elena Yanes** Executive Administration Specialist, II

Reporting directly to our President/CEO, Elena's role is to be a main point of contact for internal and external customers including THIE staff and the Board of Directors.

Elena joined THIE four years ago, first working in the Claims and Risk Management departments; her skillset, ability to multi-task and positive outlook have made her an ideal fit to her role as Executive Administration Specialist. To say we would be lost without her is an understatement. Elena shared, "I am always proud to share about being part of such a diverse group of individuals that have a love for providing education and support to our subscribers."



## **Patrick Shea** Risk Management Coordinator

As Risk Management Coordinator, Patrick supports THIE's Risk Management Department while serving as a first point of communication for our subscribers. An important aspect of that communication is sharing safety messages with our subscribers to address risks trending across the healthcare industry. In his two years with THIE, Patrick continues to learn and support the important role Risk Management plays in helping our subscribers foster a culture of safety in their facilities.

Patrick recently passed the first of four courses with The Institutes towards an *Associate in General Insurance* designation.



## **Christiane Bragner** Claims Coordinator

Christiane (Chris) has been with THIE since of April 2019. As Claims Coordinator she is often the first point of contact for new claims and manages changes that arise during the claims process with alerts to key stakeholders. Chris enjoys being the first point of contact on behalf of the claims department and strives to always provide great customer service to subscribers, claimants, and medical providers. Chris shared, "I enjoy being a part of the entire claim process, from initial set up to successful resolution."



## **Samantha Lengal** Underwriting Coordinator

Samantha (Sam) joined the THIE team just weeks before the global shut down last March. While remote work has dictated our corporate atmosphere, Sam has smoothly transitioned into a wonderful and crucial addition to the team.

As Underwriting Coordinator, she provides support to the senior underwriters and our other departments as needed. Sam helps to ensure a smooth renewal process and new business workflow by acting as point of contact for our agents and subscribers. She just celebrated her first anniversary at THIE and we look forward to having her on our team for years to come.





# And what a year it has BEEN



## LOOKING BACK

By Arianne Stuerzel-Mayo, Director of Marketing

Looking back on 2020, I (like everyone else) see a year of obstacles, hardships and unprecedented events. We live during a time of great development; aren't we living in a cutting-edge world, able to tackle anything? And yet, we've been confronted by an illness that has left the human race a bit befuddled and broken.

However, in the same breath, I see 2020 as a year of change, growth, and development. We've learned. We've adapted. We've connected.

2020 was a year when grocery store associates earned the title of front line workers; ensuring shelves were stocked, hours were developed for elderly to have time to shop outside of the chaos, and new strategies for grocery shopping and delivery were developed in an effort to slow the spread of an illness we are still learning about.

We've seen a year when parents became teachers and teachers had to quickly adapt to remote learning and teaching—hoping and praying to still successfully teach, reach, and mold their students—working to make sure no student was left behind.

We've watched health care workers bend and mold beyond their roles to care for patients—working endless hours, mourning with patients who lost their battles with COVID and couldn't be with their immediate families. Health care workers became everyone's family; being a lifeline, a voice of comfort and more. To you all, we can't ever thank you enough—to a nation of health care workers, there will never be enough words.

To our friends and neighbors; to those reading this today, thank you for doing your part to take care of your friends,

family, and community. It has been a tough year and we've watched our friends, neighbors and community rise above, come together, help one another.

What we must remember as we continue to move forward is that we should continue the good acts; even on hard days, even when we are tired. Remember that you never know who you are standing next to—maybe it's someone who has been out of work for months, maybe they've lost their business, maybe they've lost a loved one, maybe they live alone and are sad, scared, and depressed. We must remember to continue to take care of our neighbors. It's the true way we will rise above this.

I'm proud to work for THIE and THA; two organizations going above and beyond for their members. I've sat back in awe of the data and information that has been produced and shared by THA's marketing team-- daily, weekly and monthly—never missing a beat in sharing any information that comes their way to be communicated with Texas hospitals. And with THIE, being part of a team that was able to provide \$1million in surplus distribution to its active subscribers, offering a way to afford more PPE and financial support to its hospitals.

I am in awe.

Let's let this awe continue to drive us forward.

May we look back on 2020, reflect on what we've learned and find joy in the little moments. Hopefully we will find solace in knowing that we have been in this together.

THIE looks forward to working with you in 2021; Insurance coverage you deserve, from the insurance company you own.



# Insuring health care facilities

## ACROSS TEXAS OKLAHOMA AND ARKANSAS

30+ Years of  
**PARTNERSHIPS**

A special thank you to those who have been with us for years. We wouldn't be US without YOU.

To watch this list continue to grow for another 30 years would be an honor.

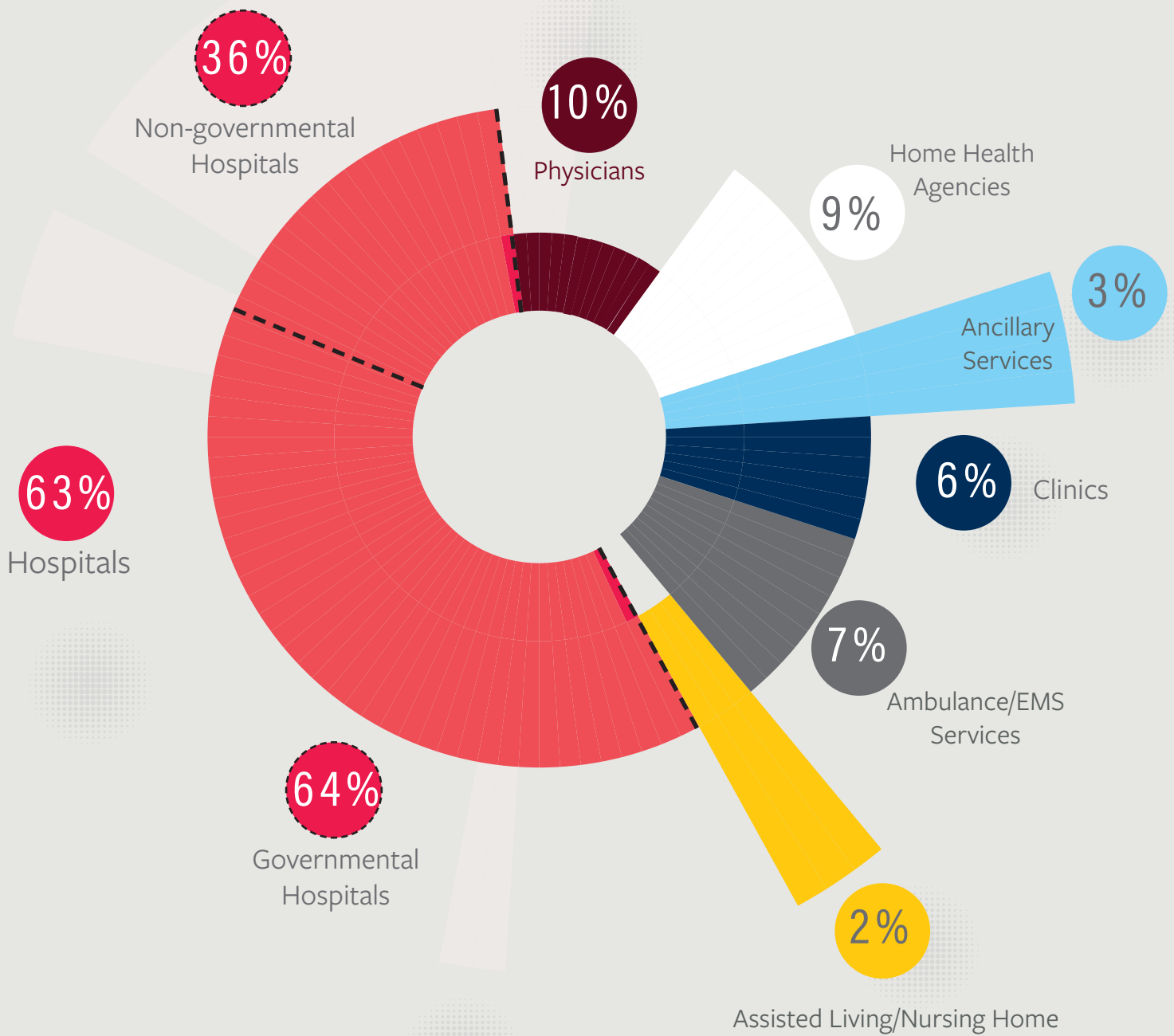
Iraan General Hospital, Iraan, TX	45 Years
Smithville Hospital Authority, Smithville, TX	44 Years
Pecos County Memorial Hospital, Ft. Stockton, TX	44 Years
Tyler County Hospital District, Woodville, TX	44 Years
Parmer County Community Hospital, Friona, TX	44 Years
Refugio County Memorial Hospital, Refugio, TX	44 Years
Starr County Memorial Hospital, Rio Grande City, TX	44 Years
Jackson County Hospital District, Edna, TX	44 Years
Stephens Memorial Hospital, Breckenridge, TX	43 Years
Haskell Memorial Hospital, Haskell, TX	43 Years
Columbus Community Hospital, Columbus, TX	42 Years
Rolling Plains Memorial Hospital, Sweetwater, TX	42 Years
Medical Arts Hospital, Lamesa, TX	41 Years
Lavaca Medical Center, Hallettsville, TX	37 Years
Crosbyton Clinic Hospital, Crosbyton, TX	36 Years
Connally Memorial Medical Center, Floresville, TX	36 Years
Coleman County Medical Center, Coleman, TX	35 Years
North Runnel Hospital, Winters, TX	35 Years
Hansford County Hospital District, Spearman, TX	35 Years
Bosque County Hospital District, Clifton, TX	35 Years
Permian Regional Medical Center, Andrews, TX	35 Years
Ochiltree General Hospital, Perryton, TX	34 Years
Parkview Hospital, Wheeler, TX	34 Years



**Tommy Johnson, CEO  
Crockett Medical Center**

THIE resolved our claims quickly and without lasting residual impact. We appreciate the staff's prompt services and excellent communication throughout the process.

# Who We SERVE



# Claims Management

# \$3.4

## million of IMO savings in 2020

THIE quickly responds and resolves claims. The staff is great to work with and make the whole process as smooth as possible.

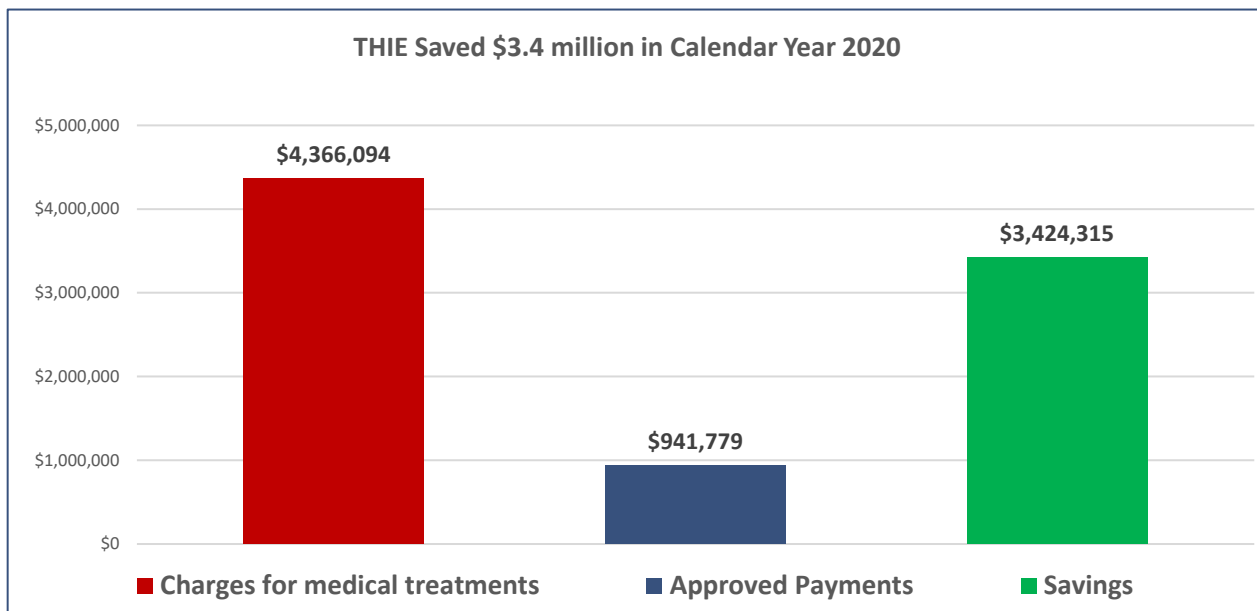
- Besty Briscoe, CEO  
Pecos County Memorial Hospital

The THIE Claims Department works hard to provide great service and savings to its Subscribers.

Ida Murguia, VP of Claims, leads the team that manages Workers' Compensation, Medical Professional Liability, Commercial General Liability, and Commercial Auto claims.

As part of the Workers' Compensation claims process, Ida is leading the Injury Management Organization (IMO) Medi-Select Network initiative. The team at THIE is excited about the expanding partnership with IMO. The organization has the lowest average claim costs statewide for lost-time claims, the highest physical functioning scores for networks, a 98% return-to-work rate, and a 98.5 Performance Based Oversight rating from the Texas Department of Insurance. In our first six months, we are already seeing significant results in the average number of lost workdays per claim. As this trend continues it will lead to decreased workers' compensation costs which leads to decreased premiums for subscribers.

**TOTAL CHARGES AND SAVINGS IN 2020**  
**(Utilization Review, Preauthorization, Network)**  
 \* These savings are passed on to our subscribers annually.



**Charges for medical treatments:**  
 Hospital  
 Doctor  
 Pharmacy

**Approved payments:**  
 After IMO adjustments:  
 fees, duplicates,  
 network savings,  
 preauth denials

**Savings =**  
**Charges - Payments**

# why THIE?

- | free educational forums
- | excellent service
- | surplus distributions
- | risk training
- | trusted partners
- | competitive rates

## Retention Ratio

# 100%

2020; retaining 100% of our existing subscribers and adding over \$1 million of new business.



### Jim Horton, CEO

#### Rankin County Hospital District

“I have worked with THIE for the past 18 years and they continue to exceed expectations regarding the various insurance products they provide.

We’ve saved money and have the same people handling all our insurance needs, making it a simple and straightforward

process when we have a claim or a question.

The THIE team, led by Tess Frazier, is accessible and dependable and always ready to help. I would not even consider any other insurance company. THIE is a remarkable and outstanding company.”

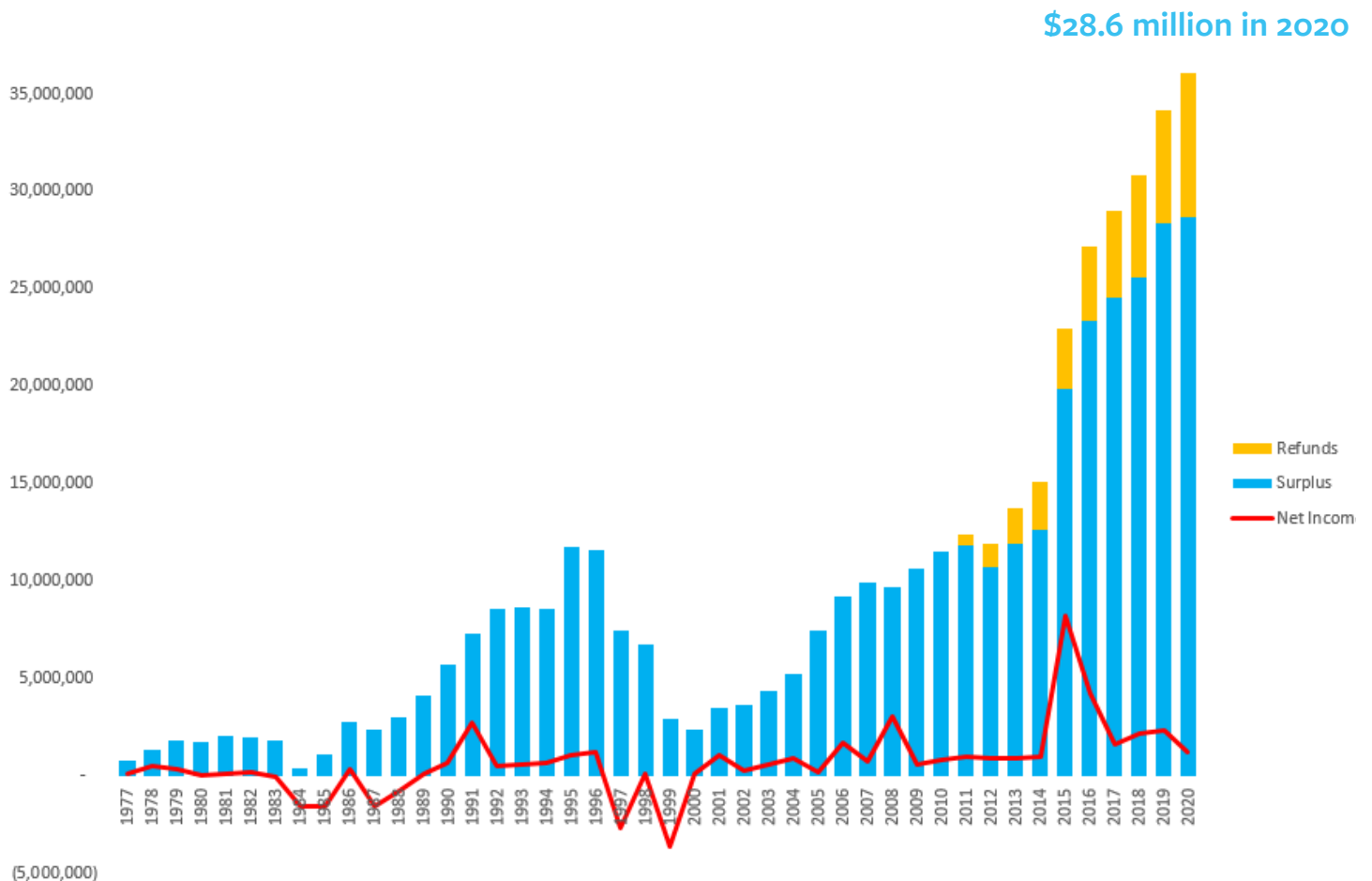
# SAVE THE DATE



LUBBOCK, TX | THE OVERTON HOTEL | OCTOBER 6TH & 7TH, 2021

# SUBSCRIBER SURPLUS

**SINCE 2011, THIS HAS  
RETURNED OVER  
\$7 MILLION TO SUBSCRIBERS**



# FINANCIAL HIGHLIGHTS

	<b>2020</b>		<b>2019</b>	
	(unaudited)			
Gross Written Premium	9,622,640		7,825,663	
Net Earned Premium	7,360,181		6,666,766	
Loss & LAE Incurred	3,385,953	46%	1,384,425	21%
Underwriting Expenses	3,939,225	41%	3,869,149	49%
Underwriting Gain/Loss	35,003		1,413,192	
Net Investment Gain	1,176,383		951,298	
Net Income (Loss)	1,187,300		2,336,519	
Admitted Assets	39,417,107		37,020,191	
Liabilities	10,726,776		8,649,801	
Subscribers' Surplus	28,690,332		28,370,392	
Subscribers' Surplus Refunds	1,629,006		603,375	
Active Subscribers	190		153	
In-Force Policy Count	550		485	



A.M. Best has again affirmed THIE's rating of B++ with a stable outlook and our issuer credit rating of bbb+ with a positive outlook.

THIE's own, Janet Hernandez, has just completed sewing 520 face masks!  
(and is still going!)



THANK YOU, JANET! YOU ARE AMAZING!

# A Year of HIGHLIGHTS



CONGRATS TO OUR SUBSCRIBERS!

TOP 100 RURAL HOSPITALS IN THE NATION



RURAL & COMMUNITY TOP HOSPITAL 2021  
THE CHARTIS GROUP

- Childress Regional Medical Center
- Columbus Community Hospital
- Cuero Regional Hospital
- Rolling Plains Memorial Hospital
- Seymour Hospital

In celebration of Hospital & Nurses Week

Facebook Contest Winner!

**Electra Memorial Hospital!**

Congrats to the team at Electra!  
Individual Likes: 147  
Overall Comment Likes: 708  
Comments: 34



Thank You  girl scouts

of central texas

1200 boxes of cookies are headed to our rural hospitals!







**THIE** is providing our  
insured physicians  
free **CME** credits,  
online in partnership  
with **Med-IQ.**

\*Required Texas specific CMEs included in this online education offer Credits offered through partnership with Med\_IQ.

Contact our Risk Management Team, today at  
[riskmanagement@thie.com](mailto:riskmanagement@thie.com) or by phone at 512/451-5775

FORMED, OWNED, AND GOVERNED  
BY HEALTH CARE ENTITIES TO  
PROVIDE AN

*mission*

AFFORDABLE INSURANCE  
PLATFORM AND LIMIT RISK FOR  
OUR MEMEBERS

*vision*

TO SERVE AS THE  
INSURANCE RE  
HEALTH CARE

ion

THE PREMIER  
RESOURCE FOR  
RE ENTITIES

|LOYALTY|  
|PERSONALIZED SERVICE|  
|AFFORABILITY|  
|RISK MANAGEMENT|  
|TRUSTED PARTNERSHIP|

values



**THIE**

Insurance coverage *you deserve*,  
from the insurance company *you own*

## **Texas Hospital Insurance Exchange**

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FB: @TexasHospitalInsuranceExchange