2022 PrimeWest Health ANNUAL REPORT

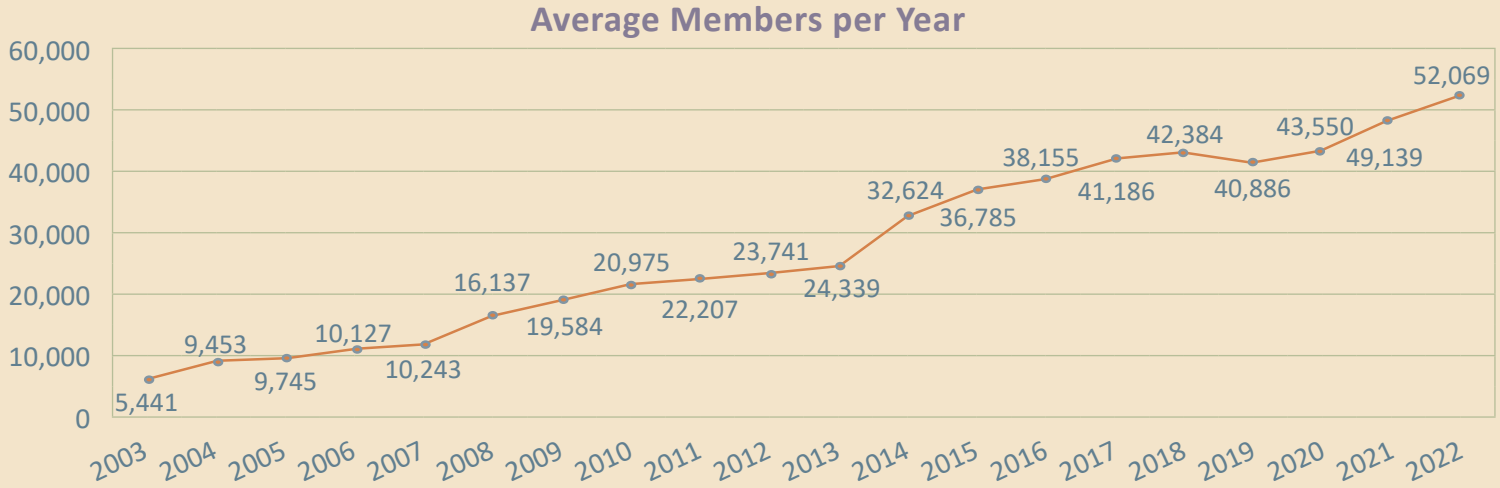
PrimeWest Health is a County-Based Purchasing (CBP) health plan. This means we have contracts with the Minnesota Department of Human Services (DHS) and the Federal Centers for Medicare & Medicaid Services (CMS). These contracts allow us to purchase and manage health care services for Minnesota Health Care Programs (MHCP)-eligible people who live in the counties we serve. PrimeWest Health is owned by 24 rural Minnesota counties. Our service area for 2022 included 13 of these counties: Beltrami, Big Stone, Clearwater, Douglas, Grant, Hubbard, McLeod, Meeker, Pipestone, Pope, Renville, Stevens, and Traverse. Eleven counties joined PrimeWest Health in 2020 and began providing service in 2023: Chippewa, Cottonwood, Jackson, Kandiyohi, Lac qui Parle, Lincoln, Lyon, Nobles, Redwood, Swift, and Yellow Medicine. The governing body of PrimeWest Health is the Joint Powers Board (JPB). The JPB includes 2 county commissioners (1 primary and 1 alternate) from each county as well as 1 primary and 1 alternate representative from Red Lake Nation.

We have contracts with DHS and CMS to offer the following programs in our service area:

- **Families and Children** – For children under age 21, parents or relative caretakers of dependent children, adults without children, and pregnant women who have Medical Assistance
- **MinnesotaCare** – For adults without children, parents or relative caretakers of dependent children, and children who are eligible for the State MinnesotaCare program; members pay a monthly premium to the State
- **Minnesota Senior Care Plus (MSC+)** – For people age 65 or over who have Medical Assistance and may have Medicare but not through PrimeWest Health
- **Special Needs BasicCare (SNBC)** – For people who have a certified disability, are ages 18 – 64, and have Medical Assistance but do not have Medicare through PrimeWest Health
- **PrimeWest Senior Health Complete (HMO SNP) (PWSHC)** – For people age 65 or over who have both Medical Assistance and Medicare through PrimeWest Health *(a Minnesota Senior Health Options program)*
- **Prime Health Complete (HMO SNP) (PHC)** – For people who have a certified disability, are ages 18 – 64, and have both Medical Assistance and Medicare through PrimeWest Health *(an SNBC program)*

GROWTH

PrimeWest Health's average monthly enrollment increased in 2022, our 19th year of operations. The chart below shows the average monthly enrollment each year since 2003. An average of 50% of our members received health care services from one of 5 local health care systems that are part of PrimeWest Health's Accountable Rural Community Health (ARCH) program. ARCH is our person-centered, local, provider-based approach for coordinating care and services for our members. Through ARCH, PrimeWest Health and our outstanding providers are improving the quality and outcomes of care for our members, advancing health equity, improving our members' satisfaction with the care they get, improving the overall health of our member population, and reducing health care spending.



In July 2003, PrimeWest Health began serving members in Big Stone, Douglas, Grant, McLeod, Meeker, Pipestone, Pope, Renville, Stevens, and Traverse counties. In March 2008, we expanded and began serving members in Beltrami, Clearwater, and Hubbard counties.

ACCESS

To serve our members, PrimeWest Health contracts with over 15,054 providers and 2,837 facilities. This large provider network ensures our members have optimal access to health care services and a choice of providers. Our network includes nearly every health care provider of covered services in and around our service area counties. This includes medical, behavioral, human services, and allied health care providers. Our network also includes a full range of specialists and facilities in all metropolitan areas in Minnesota and eastern North Dakota and South Dakota.

PrimeWest Health continues to work hard to improve member access for all services, including dental care. Our dental provider network has grown from 3 providers in 2003 to more than 221 providers and 111 clinics today. Among these, PrimeWest Health helped fund the development of the new Caring Hands Dental Clinic in Pipestone. The clinic opened its doors to PrimeWest Health members in June 2022. In addition, as part of our health equity efforts, PrimeWest Health awarded a $1.1 million grant to Red Lake Nation for the full development of the Obaashiing Treatment Center. The Center is a residential substance use disorder treatment facility located in Ponemah that offers increased access to culturally sensitive behavioral health care for Red Lake Nation members. PrimeWest Health also implemented ARCH with Red Lake Nation's Tribal health care provider, Comprehensive Health, to address health care disparities experienced by PrimeWest Health's Red Lake Nation members.

SUMMARY OF FINANCIAL STATEMENTS, JANUARY – DECEMBER 2022

This is an overview of PrimeWest Health's financial position and performance for calendar year 2022. It is published in accordance with the requirements of MN Stat. sec. 62D.09, subd. 3. This is not a full financial statement, but a summary provided for our members' information.

PrimeWest Health's primary expenses are for hospital, physician, pharmacy, dental, and other health care and social services used by PrimeWest Health members. Our primary revenues are premiums paid by DHS (State) and CMS (Federal) on behalf of our members.

A net gain of 8.2% of total revenue was realized in 2022, compared to a net gain of 3.1% in 2021. The favorable results in 2022 are due to positive trends in health care utilization and expenses from State and Federal programs. The average net gain for 2013 – 2022 was 2.2%. From 2021 to 2022, PrimeWest Health revenues increased 12.8%, primarily as a result of increased enrollment. Enrollment increased 5.9%, total health care expenses increased 8.4%, and average health care expenses per member per month increased 2.4%. Reserves for health contracts, established when projected future expenses are greater than projected future revenues, did not change due to projected 2023 revenues being greater than expenses. As of December 31, 2022, PrimeWest Health is in compliance with statutory net worth requirements under MN Stat. Chap. 62D and MN Stat. secs. 60A.60 – 696.

FINANCIALS

Balance Sheet as of December 31, 2022	
Assets	$ 152,504,306
Liabilities	$ 39,937,825
Statutorily Required Net Worth	$ 112,566,481
2022 Statement of Revenues and Expenses	
Revenues	$ 418,557,716
Expenses	
Hospital and Skilled Nursing Facility Services	$ 144,044,672
Physician and Allied Health Services	$ 133,635,985
Pharmacy	$ 64,190,689
Dental Services	$ 13,708,440
Claims Adjustment and Cost Containment	$ 13,370,233
Non-Claim Expenses	$ 15,376,339
Total Expenses	$ 384,326,358
Change in Reserves for Health Contracts	$ 0
Net Gain (Loss)	$ 34,231,358

QUALITY INITIATIVES

PrimeWest Health strives to meet the highest quality and safety standards. We follow standards developed by the National Committee for Quality Assurance (NCQA). NCQA requires us to tell our members each year about our work to improve quality. The following describes our quality improvement activities for 2022 and some that we are working on for 2023.

Quality Goals

1. To continually improve our members' experience, including health care quality and outcomes, and member satisfaction with the care and services they receive (Member Health Care Experience)
2. To continually improve the health of our member population (Population Health)
3. To focus and coordinate resources to provide each of our members the opportunity to pursue their full health potential (Health Equity)
4. To eliminate preventable and unnecessary health care costs that drain financial resources from advancing individual and population health improvement and health equity (Health Care Cost Reduction)

Quality Plan and Work Plan

PrimeWest Health has a Quality Plan and an annual Work Plan to help us carry out each year's quality improvement activities. These plans are designed by the Quality and Care Coordination Committee (QCCC) and approved by the JPB. Some of the activities included in the Work Plan are as follows:

- **Performance Improvement Projects (PIPs)** – projects that focus on improving member health outcomes or business processes for member service initiatives
- **Healthcare Effectiveness Data and Information Set (HEDIS®)**[1] – the measurement tool used by the nation's health plans to evaluate their clinical quality and customer service
- **Member and provider surveys**

PIPs

Current PIPs include:

- **Statin Therapy in Members with Diabetes – Goals:**
  - Increase the number of members with diabetes who receive statin therapy
  - Increase the compliance rate of members with diabetes who are on a statin

  This project includes provider and member education and collaboration with county case managers. It began in 2021. Measurement One data shows that project goals were met for PWSHC but not for PHC. For 2023, information is being given to Member Services staff so they can provide statin therapy education to members during calls.

- **Postpartum Depression Screening with a Focus on American Indian Members – Goals:**
  - Increase the rate of postpartum depression screening for members who have recently given birth
  - Decrease the disparity between races/ethnicities in our population

  This project includes member and provider education and member and stakeholder outreach. We also funded a grant to support culturally specific care for American Indian members. The project began in 2021. Measurement One data shows that the goals were met in all areas and our efforts will continue.

Past PIPs include:

- **Reducing New Chronic Opioid Users** – This project sought to reduce new chronic opioid use and had a special focus on our American Indian members.
  - The project included changing authorization requirements for opioid use to increase safety, providing member and provider education about opioid use, and working with American Indian communities to create culturally specific outreach materials.
  - The project met all goals and we continue to see much lower use of opioids than in prior years.

HEDIS Performance Measures

For more information on HEDIS, go to **www.primewest.org/hedis**. Our goal is to remain at or above the national mean.

Surveys

- **Member Satisfaction Survey – Consumer Assessment of Healthcare Providers and Systems (CAHPS®)**[2]
  2022 results show that PrimeWest Health has both strengths and areas for improvement. Some strengths are as follows:
  - Customer service
  - How well doctors communicate

  Some areas for continued improvement are as follows:
  - Rating of health plan
  - Member had flu shot on/after July 1 of the measurement year
  - Rating of all health care

[1]HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA)
[2]CAHPS® is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ)

PrimeWest Health reviews CAHPS results and takes corrective action as needed to improve member satisfaction.

- **Health Outcomes Survey (HOS)**
  Members' perception that providers discussed and addressed certain problems with them showed mixed results from 2016 – 2022. PrimeWest Health encourages providers to discuss and address the following topics with members:
  - Fall risk management
  - Urinary incontinence
  - Osteoporosis testing
  - Physical activity in older adults
  - Depression screening

- **County Case Manager Satisfaction Surveys**
  MSC+/PWSHC/SNBC/PHC Satisfaction Surveys: Surveys were mailed to 2,091 members. They could complete the survey by mail or online. The combined response rate for all programs was 24%. The results show that 99% of respondents rated their overall satisfaction as "good," "very good," or "excellent."

- **Focused Wellness Satisfaction Survey**
  The satisfaction survey was mailed to 1,736 members, with a response rate of 14%. The results show that 82% of respondents were satisfied with the Focused Wellness Program.

Lessons Learned

PrimeWest Health identified the following lessons learned based on our 2022 quality activities:

- To build an effective quality program, staff from the entire organization should be involved.
- Member outreach should be made in various ways. We should make use of technology to better collect data, measure outcomes, and reach members.
- Telehealth is an option that can increase access and satisfaction for members, helping remove barriers related to transportation and time constraints.
- Health equity is the foundation of our mission to improve health care for our members. We are working to promote health equity by collecting information that will help us better serve members. It will also improve access to resources that address members' social well-being as well as health care needs.

Working Together

PrimeWest Health works with our county partners to assess member health care needs. All of our members in MSC+, PWSHC, and PHC have a county case manager to help them meet their health care goals, if they choose.

In 2022, we worked closely with Public Health and Social/Human/Family Services departments in our 13 service area counties to improve health outcomes in the following areas. Similar efforts will continue for 2023, including providing services to members in our new counties with additions to improve rates for races/ethnicities with disparities. *(Note: There is a one-year lag in data for these measures, so data reviewed in 2022 is actually from 2021 dates of service as shown below.)*

- **Increase annual well-care visit rates among adolescents.** In Measurement Year (MY) 2020, this measure was replaced with the annual child and adolescent well-care visits (WCV) measure. The MY 2021 total rate was 41.9%. The MY 2020 total rate was 36.05%.
- **Increase childhood immunization status (CIS) combination 10.** The MY 2021 rate was 36%. The MY 2020 rate was 43.07%.
- **Increase immunizations for adolescents (IMA).**
  1. IMA Human Papillomavirus (HPV) Vaccine: The MY 2021 rate was 32.1%. The MY 2020 rate was 32.36%.
  2. IMA Meningococcal: The MY 2021 rate was 74.5%. The MY 2020 rate was 74.21%.
  3. IMA Tdap/TD: The MY 2021 rate was 77.1%. The MY 2020 rate was 75.91%.
  4. IMA Combination 2: The MY 2021 rate was 31.1%. The MY 2020 rate was 31.63%.
- **Increase prenatal and postpartum care (PPC).** The MY 2021 PPC prenatal care rate was 85.4%. The MY 2020 PPC prenatal care rate was 87.1%. The MY 2021 PPC postpartum rate was 84.2%. The MY 2020 PPC postpartum care rate was 81.02%.
- **Ensure collaboration plans are developed and used by Public Health agencies 100% of the time.** This goal has been met and remains at 100% at the end of 2022.

PrimeWest Health wants your feedback to help us improve. Please call Member Services at **1-866-431-0801** to share your ideas with us. TTY users call **1-800-627-3529** or **711**. These calls are free.

1-866-431-0801 (toll free); TTY **1-800-627-3529** or **711**

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