

2017 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 the 13 rural Minnesota counties we serve. These counties are Beltrami, Big Stone, Clearwater, Douglas, Grant, Hubbard, McLeod, Meeker, Pipestone, Pope, Renville, Stevens, and Traverse. The governing body of PrimeWest Health is called the Joint Powers Board (JPB). The JPB includes 2 county commissioners (1 voting and 1 alternate) from each PrimeWest Health county.

We have contracts with DHS and CMS to offer the following programs in our 13 counties:

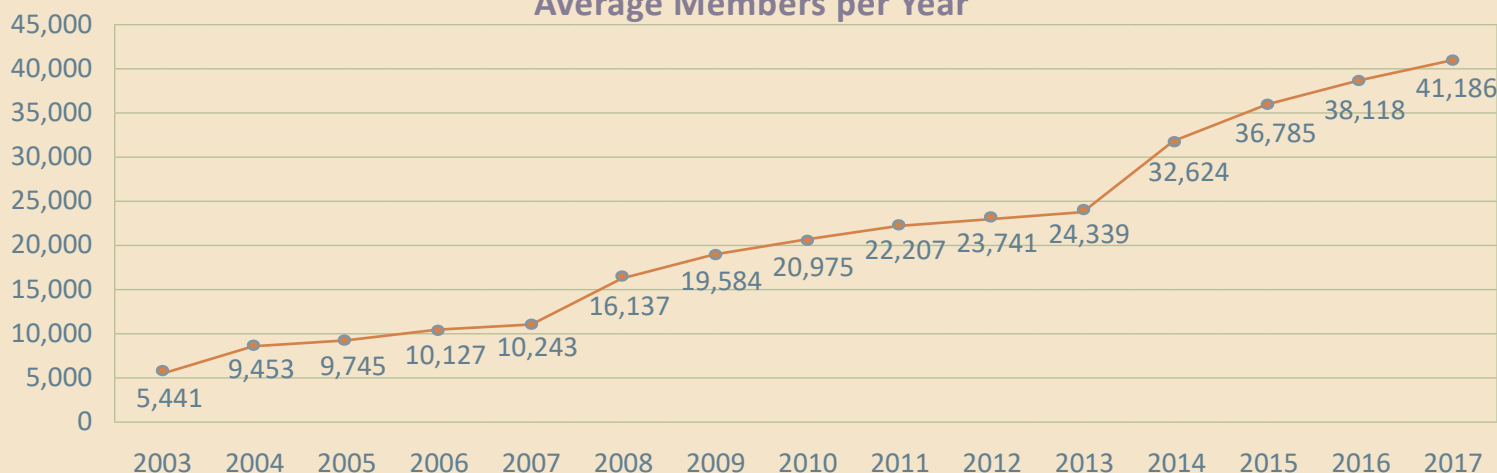
- **Families and Children** (formerly called the *Prepaid Medical Assistance Program* or PMAP)
For children under age 21, parents or relative caretakers of dependent children, adults without children, and pregnant women who have Medical Assistance
- **MinnesotaCare**
For adults without children, parents 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

- **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 [MSHO] 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

2017 was PrimeWest Health's 14th year of operations. It was a year in which we experienced new highs related to our members and enrollment. PrimeWest Health's monthly enrollment reached an all-time high in 2017. The chart that follows shows the average monthly enrollment each year since 2003. In addition, a record high 63.5 percent of our members got better-coordinated health care services from one of 6 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' health care and wellness needs. Through ARCH, PrimeWest Health and our outstanding providers are improving the quality and outcomes of care, improving our members' satisfaction with the care they get, improving the overall health of our member population, and reducing health care spending.

Average Members per Year



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.



SUMMARY OF FINANCIAL STATEMENTS, JANUARY – DECEMBER 2017

ACCESS

PrimeWest Health has more than 11,000 providers and over 2,600 facilities contracted to serve our members. 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 13 counties. This includes medical, behavioral, social/human/family 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 has worked hard to improve access to dental care for our members. Our dental provider network has grown from 3 providers in 2003 to more than 221 providers and 110 clinics today. PrimeWest Health has helped fund new dental clinics and upgraded equipment for MHCP members in Alexandria, Bemidji, Montevideo, and Hutchinson. We have also promoted dental outreach clinics to serve rural communities and allied oral health professionals for services that don't require a dentist.

This is an overview of PrimeWest Health's financial position and performance for calendar year 2017. 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 1.4 percent of total revenue was realized in 2017, compared to a net loss of 0.3 percent in 2016. The average net gain for 2007 – 2017 is 2.4 percent. The favorable results in 2017 are due to positive trends for risk-adjusted revenue from State and Federal programs combined with revenues accrued related to prior contract years. PrimeWest Health revenues increased 11.9 percent from 2016 to 2017 primarily as a result of a 7.9 percent increase in enrollment. Total health care expenses increased 10.1 percent from 2016 to 2017. Average health care expenses per member per month increased 2 percent from 2016 to 2017. Reserves for health contracts, established when projected future expenses are greater than projected future revenues, decreased by 48 percent. As of December 31, 2017, 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, 2017	
Assets	\$ 120,264,425
Liabilities	\$ 54,065,630
Statutorily Required Net Worth	\$ 66,198,795
2017 Statement of Revenues and Expenses	
Revenues	\$ 294,943,044
Expenses	
Hospital and Skilled Nursing Facility Services	\$ 119,236,192
Physician and Allied Health Services	\$ 106,529,858
Pharmacy	\$ 37,626,998
Dental Services	\$ 8,076,444
Claims Adjustment and Cost Containment	\$ 10,131,534
Non-Claim Expenses	\$ 10,689,287
Total Expenses	\$ 292,290,313
Change in Reserves for Health Contracts	\$ (1,386,638)
Net Gain (Loss)	\$ 4,039,369

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. Below we describe our quality improvement activities for 2017 and some initiatives that we are working on for 2018.

Quality Goals

1. To achieve high member satisfaction; improved quality of care, care outcomes, and population health; and reduce health care spending
2. To fully realize our unique strength and potential as a county-owned health plan that serves our counties' residents in MHCPs
3. To develop an organizational culture that focuses on core values, performance excellence, teamwork, and shared success to better serve our members
4. To effectively govern and manage PrimeWest Health operations to effectively carry out our mission
5. To be viewed as an effective alternative model for managed care in the State of Minnesota

Quality Improvement Activities

Quality improvement activities aim to improve any of the following:

- Clinical components
- Organizational components – aspects of PrimeWest Health that affect accessibility, availability, comprehensiveness, and continuity of health care
- Member components – members' perceptions about the quality of PrimeWest Health's services

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:

- **Antidepressant Medication Management with a Special Focus on Racial/Ethnic Disparities**
Goal: Increase the percentage of PMAP and MinnesotaCare members with depression who stay on their antidepressant medication for at least 6 months. Our aim is to increase this by 6 percentage points over the starting rate of 35.89 percent. Measurement 1 was 37.17 percent for PMAP and 40 percent for MinnesotaCare. Measurement 2 was 37.92 percent for PMAP and 46.43 percent for MinnesotaCare. The final PIP report will be submitted in September of 2018.
- **Antidepressant Medication Management**
Goal: Increase the percentage of PWSHC and PHC members with depression who stay on their antidepressant medication for at least 6 months. Our aim is a 5 percent increase for PWSHC members (over a starting rate of 74.62 percent) and a 6 percent increase for PHC members (over a starting rate of 56.25 percent). The project began in the 1st quarter of 2016. Measurement 1 data showed a rate of 70.27 percent for PWSHC and 50 percent for PHC. CMS has discontinued this project, and a new project, noted below, will begin in 2018.
- **Reducing New Chronic Opioid Use with a Special Focus on Native American Members**
Goal: Maintain or continue decreasing the number of new chronic opioid users across all PrimeWest Health members. Close the gap of chronic use between Native American members and all other ethnic populations. This project will begin in 2018. Measurement 1 data will be available in the 2nd quarter of 2019.

HEDIS Performance Measures

For more information on HEDIS, go to www.primewest.org/hedis. PrimeWest Health HEDIS rates are posted on the DHS website. Go to www.health.state.mn.us/divs/hpsc/mcs/hedishome.htm. Our goal is to remain at or above the national mean.

Surveys

- **Member Satisfaction – The Consumer Assessment of Healthcare Providers and Systems (CAHPS®)**²
2017 results show that PrimeWest Health has both strengths and opportunities for improvement. Some strengths are as follows:
 - Personal doctor listened carefully
 - Getting care/test/treatments needed
 - Getting care/test/treatments as quickly as needed

¹HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA)

²CAHPS® is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ)

Some areas for continued improvement are as follows:

- Doctor talked about reasons you may want to take a medication and involved member in decisions as much as member wanted
- Doctor discussed tobacco cessation methods/strategies
- Had flu shot on/after July 1 of the measurement year
- Continued decline in survey response rates

To follow up on the feedback received from this survey, PrimeWest Health took the following actions in 2017:

- Encouraged the use of shared decision-making tools/models among our providers
- Encouraged providers to share tobacco cessation methods with members
- Addressed smoking cessation in member outreach calls and monitored whether providers are discussing it with members
- Educated members about the reason for surveys to encourage responses
- Shared results of member surveys on our website and in print publications
- Completed an additional interim CAHPS survey to discover the reasons behind lower scores (asking members why they gave low scores) so we can better address improvement opportunities

- **Health Outcomes Survey (HOS)**

Members' perception that providers discussed and addressed certain problems with them showed mixed results from 2012 – 2016. Very little changed in 2017. PrimeWest Health continues to encourage 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**

PWSHC/MSC+/PHC/SNBC Satisfaction Surveys: Surveys were mailed and the combined response rates for all programs were 38 percent. This is a slight increase from the previous year. For 2017, the surveys were revised to allow for more flexibility in responses.

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

- **Disease Management/Chronic Care Improvement Program (DM/CCIP) Satisfaction Survey**

In 2017, the DM/CCIP was revised and new benchmarks were set. The satisfaction survey was mailed to 638 members, with a response rate of 34 percent. The results show that members found the information they received useful and that it helped them learn more about their condition.

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 2017, we continued to work with Public Health and Social/Human/Family Services departments in our 13 counties to improve health outcomes in the following areas:

- **Combat obesity** by increasing the percentage of providers who document and address body mass index (BMI) with patients. The 2017 rate was 73 percent. The 2016 rate was just below 73 percent.
- **Reduce tobacco use** by ensuring that 100 percent of providers have access to approved smoking cessation guidelines. This goal was met and remains at 100 percent at the end of 2017.
- **Increase Child and Teen Checkups (C&TCs)** among adolescents. The HEDIS 2017 Medicaid rate was 44.77 percent. The 2016 rate was 32.12 percent.
- **Ensure that our members are assessed for exposure to violence.** We verify that 100 percent of contracted clinics include this assessment in their protocols. We also ensure that 100 percent of Public Health agencies assess families for signs/symptoms of interpersonal violence during interventions. This goal has been met and remains at 100 percent.
- **Reduce the incidence of low birth weight** by ensuring that 100 percent of Public Health agencies assess and educate families about low birth weight during interventions. This goal has been met and remains at 100 percent.
- **Ensure collaboration plans are developed and used** by Public Health agencies 100 percent of the time. This goal has been met and remains at 100 percent at the end of 2017.

Attention. If you need free help interpreting this document, call the above number.

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ملاحظة: إذا أردت مساعدة مجانية لترجمة هذه الوثيقة، اتصل على الرقم أعلاه.

သတိ။ ဤစာရွက်စာတမ်းအားအခမဲ့ဘာသာပြန်ပေးခြင်း အကူအညီလိုအပ်ပါက၊ အထက်ပါဖုန်းနံပါတ်ကိုခေါ်ဆိုပါ။

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請注意，如果您需要免費協助傳譯這份文件，請撥打上面的電話號碼。

Attention. Si vous avez besoin d'une aide gratuite pour interpréter le présent document, veuillez appeler au numéro ci-dessus.

Thov ua twb zoo nyeem. Yog hais tias koj xav tau kev pab txhais lus rau tsab ntaub ntawv no pub dawb, ces hu rau tus najnpawb xov tooj saum toj no.

ဟ်သုဉ်ဟ်သးဘဉ်တက့ၢ်. ဖဲနမ့ၢ်လိဉ်ဘဉ်တၢ်မၤစၢၤကလိလၢတၢ်ကကျိးထံဝဲဒၣ်လံာ် တိလံာ်မိတခါအံၤန့ၣ်, ကိးဘဉ်လိတဲစိနီၣ်ဂံၢ်လၢထးအံၤန့ၣ်တက့ၢ်.

알려드립니다. 이 문서에 대한 이해를 돕기 위해 무료로 제공되는 도움을 받으시려면 위의 전화번호로 연락하십시오.

ໂປຣດຊາບ, ຖ້າຫາກ ທ່ານຕ້ອງການການຊ່ວຍເຫຼືອໃນການແປເອກະສານນີ້ຟຣີ, ຈົ່ງໂທໄປທີ່ໝາຍເລກຂ້າງເທິງນີ້.

Hubachiisa. Dokumentiin kun tola akka siif hiikamu gargaarsa hoo feete, lakkoobsa gubbatti kenname bilbili.

Внимание: если вам нужна бесплатная помощь в устном переводе данного документа, позвоните по указанному выше телефону.

Digniin. Haddii aad u baahantahay caawimaad lacag-la'aan ah ee tarjumaadda qoraalkan, lambarka kore wac.

Atención. Si desea recibir asistencia gratuita para interpretar este documento, llame al número indicado arriba.

Chú ý. Nếu quý vị cần được giúp đỡ dịch tài liệu này miễn phí, xin gọi số bên trên.

Civil Rights Notice

Discrimination is against the law. PrimeWest Health does not discriminate on the basis of any of the following:

- Race
- Color
- National Origin
- Creed
- Religion
- Sexual Orientation
- Public Assistance Status
- Age
- Disability (including physical or mental impairment)
- Sex (including sex stereotypes and gender identity)
- Marital Status
- Political Beliefs
- Medical Condition
- Health Status
- Receipt of Health Care Services
- Claims Experience
- Medical History
- Genetic Information

Auxiliary Aids and Services

PrimeWest Health provides auxiliary aids and services, like qualified interpreters or information in accessible formats, free of charge and in a timely manner, to ensure an equal opportunity to participate in our health care programs. **Contact PrimeWest Health at memberservices@primewest.org, or call PrimeWest Health Member Services at 1-866-431-0801 (toll free), or your preferred relay service.**

Language Assistance Services

PrimeWest Health provides translated documents and spoken language interpreting, free of charge and in a timely manner, when language assistance services are necessary to ensure limited English speakers have meaningful access to our information and services. **Contact PrimeWest Health at memberservices@primewest.org or call PrimeWest Health Member Services at 1-866-431-0801 (toll free).**

Civil Rights Complaints

You have the right to file a discrimination complaint if you believe you were treated in a discriminatory way by PrimeWest Health. You may contact any of the following four agencies directly to file a discrimination complaint.

U.S. Department of Health and Human Services' Office for Civil Rights (OCR)

You have the right to file a complaint with the OCR, a federal agency, if you believe you have been discriminated against because of any of the following:

- Race
- Color
- National Origin
- Age
- Disability
- Sex (including sex stereotypes and gender identity)

Contact the **OCR** directly to file a complaint:

Director
U.S. Department of Health and Human Services'
Office for Civil Rights
200 Independence Avenue SW, Room 509F
HHH Building
Washington, DC 20201

1-800-368-1019 (Voice)

1-800-537-7697 (TDD)

Complaint Portal:

<https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>

Minnesota Department of Human Rights (MDHR)

In Minnesota, you have the right to file a complaint with the MDHR if you believe you have been discriminated against because of any of the following:

- Race
- Color
- National Origin
- Religion
- Creed
- Sex
- Sexual Orientation
- Marital Status
- Public Assistance Status
- Disability

Contact the **MDHR** directly to file a complaint:

Minnesota Department of Human Rights
Freeman Building, 625 North Robert Street
St. Paul, MN 55155
Info.MDHR@state.mn.us (Email)

1-651-539-1100 (Voice)
1-800-657-3704 (Toll free)
711 or **1-800-627-3529** (MN Relay)
1-651-296-9042 (Fax)

Minnesota Department of Human Services (DHS)

You have the right to file a complaint with DHS if you believe you have been discriminated against in our health care programs because of any of the following:

- Race
- Color
- National Origin
- Creed
- Religion
- Sexual Orientation
- Public Assistance Status
- Age
- Disability (including physical or mental impairment)
- Sex (including sex stereotypes and gender identity)
- Marital Status
- Political Beliefs
- Medical Condition
- Health Status
- Receipt of Health Care Services
- Claims Experience
- Medical History
- Genetic Information

Complaints must be in writing and filed within 180 days of the date you discovered the alleged discrimination. The complaint must contain your name and address and describe the discrimination you are complaining about. After we get your complaint, we will review it and notify you in writing about whether we have authority to investigate. If we do, we will investigate the complaint.

DHS will notify you in writing of the investigation's outcome. You have a right to Appeal the outcome if you disagree with the decision. To Appeal, you must send a written request to have DHS review the investigation outcome period. Be brief and state why you disagree with the decision. Include additional information you think is important.

If you file a complaint in this way, the people who work for the agency named in the complaint cannot retaliate against you. This means they cannot punish you in any way for filing a complaint. Filing a complaint in this way does not stop you from seeking out other legal or administration actions.

Contact **DHS** directly to file a discrimination complaint:

ATTN: Civil Rights Coordinator
Minnesota Department of Human Services
Equal Opportunity and Access Division
P.O. Box 64997
St. Paul, MN 55164-0997

1-651-431-3040 (Voice) or use your preferred relay service

PrimeWest Health Complaint Notice

You have the right to file a complaint with PrimeWest Health if you believe you have been discriminated against because of any of the following:

- Medical Condition
- Health Status
- Receipt of Health Care Services
- Claims Experience
- Medical History
- Genetic Information
- Disability (including mental or physical impairment)
- Marital Status
- Age
- Sex (including sex stereotypes and gender identity)
- Sexual Orientation
- National Origin
- Race
- Color
- Religion
- Creed
- Public Assistance Status
- Political Beliefs

You can file a complaint and ask for help in filing a complaint in person or by mail, phone, fax, or email at:

Rebecca Fuller, Civil Rights Coordinator
PrimeWest Health
3905 Dakota St
Alexandria, MN 56308

Toll Free: **1-866-431-0801**
TTY: **1-800-627-3529** or **711**
FAX: **1-320-762-8750**
Email: **rebecca.fuller@primewest.org**

American Indians

American Indians can continue or begin to use tribal and Indian Health Services (IHS) clinics. We will not require prior approval or impose any conditions for you to get services at these clinics. For elders age 65 years and older this includes Elderly Waiver (EW) services accessed through the tribe. If a doctor or other provider in a tribal or IHS clinic refers you to a provider in our network, we will not require you to see your primary care provider prior to the referral.