Member County Board 2025 Fall Report

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Updated 10/02/2025

South Country
HEALTH ALLIANCE

Strategic Priorities Update

2023 through 2025

#1: Work collaboratively with DHS to solidify the role of County Based Purchasing (CBP) in delivery of Minnesota Health Care Programs.

- **Ongoing Collaboration (Since Feb 2023):**
  Regular engagement with DHS, AMC, and CBP leadership to design the **County Administered Rural Medical Assistance (CARMA)** model.
- **Legislative Success – 2024:**
  Legislation passed authorizing DHS to **collaboratively develop** the CARMA model with AMC and CBPs.
- **Legislative Success – 2025:**
  Legislation passed authorizing **implementation** of CARMA beginning **January 2027**.
- **Impact on CBP:**
  Legislation lays the groundwork for **increased membership**, **greater stability** and **long-term viability**.
- **Improved Partnerships:**
  Notable shift toward a **more positive and collaborative relationship** with DHS.

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#2: Work with other CBPs to educate legislators, County Commissioners about the unique value and health outcomes and economic impact of CBP as well as examples of successful legislative strategies they can support.

Outreach/Engagement

- Hosted 3 regional **educational events** with legislators and county officials.
- Participated annually in **AMC Legislative Conference**.
- Held multiple **meetings with legislators** each session.
- Hosted **state and federal legislators** at South Country.

Targeted Communications

- Created **county-specific informational packets** highlighting local impact.

Legislative Success

- **2024**: Legislation passed to **codify CBP intent** via CARMA (with Priority #1).
- **2025**: Legislation passed establishing **CARMA as a distinct model**.

Impact on CBP

- **Increased legislative awareness and support**.
- Secured **carve-outs for CBP** in major legislation.

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#3: Identify key messages for a marketing campaign to our members, the public, our partners, providers, and counties. Consider developing an alternative name to CBP that clarifies how we incubate and innovate.

Engagement & Research

- Held **listening sessions** with members and the public
- Used **insights** to shape **branding and messaging**

Campaign Execution

- Launched **multi-channel marketing** campaign
- Refined materials based on **stakeholder feedback**

Marketing Tools

- Radio, billboards, buses, digital screens
- Search engine, display, programmatic audio, streaming TV, Facebook

Monitoring Performance

- Monthly reviews of **campaign metrics**
- Annual **ad refreshes** to maintain performance

Impact:

- **Increased awareness** of South Country among members, community, and county partners

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#4: Evaluate and develop programs and services offered to address Social Determinants of Health and health equity to current members.

Engagement & Research

- Identified **unmet service needs** and health disparities.
- Internal teams and county partners prioritized **Nutrition** and **Mental Health** as focus areas.
- **Developed new programs**, budget, and timeline for launch.

New Programs

- **Rite Bites for Life:** 12-month pilot focused on **nutrition** targeting members with **diabetes and obesity**. Provides **dietitian support and meal delivery**. Engaged over 100 members.
- **Doctor on Demand:** Designed to **improve access**, especially in rural areas. Expanded virtual access to **counseling, psychiatric care, and urgent care**.

Outcomes

- Participants reported **improved health outcomes**.
- **Cost-effectiveness.**
- **Improved healthcare access** in underserved rural communities.

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#5: Work with MN Community Measurement to develop tools and measures that compare rural and urban health care data re: utilization, cost and member outcomes.

Initial Research and Scope Definition

- Conducted **in-depth research on healthcare disparities** between rural and urban communities in Minnesota and nationally.
- Clarified project scope by defining "rural" and **narrowed focus to Medicaid member outcomes**.

Key Insight:

- Identified a major data gap: no existing source provides **county-level Medicaid outcomes.**
- MNCM and MDH **datasets lack granularity** needed for targeted analysis.

Impact:

- Compiled a **comprehensive overview** of rural-urban disparities and data limitations.
- Built a **solid foundation** for future tool development and **policy recommendations**.

Future Work:

- **Explore solutions** to fill data gaps and improve measurement tools.
- **Support development** of future tools and measures.

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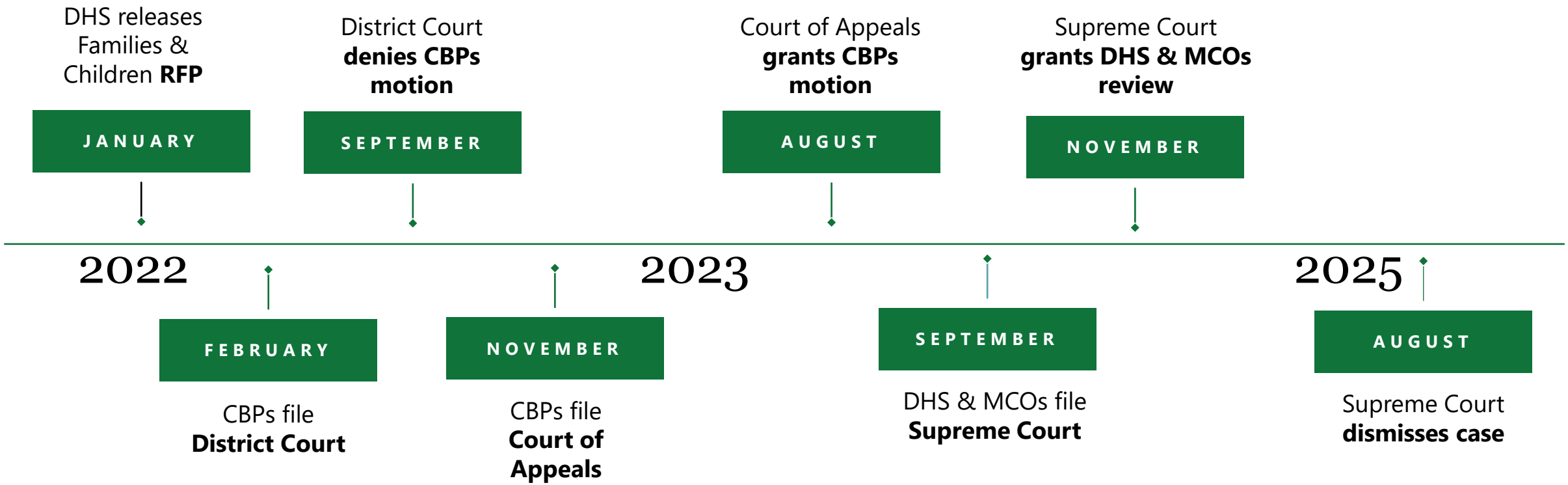
Procurement Court Case Update

Procurement Court Case



Procurement Court Case Outcome & Next Steps

- Dismissal **upholds the Court of Appeals decision** affirming:
  - Counties have the **right to choose CBP**.
  - Once chosen, **CBPs cannot be replaced** without county consent.
- A major legal **WIN**! Over a decade of challenges.
- Case will **return to District Court for resolution and enforcement** of the appellate ruling.

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FINANCIAL UPDATE

August 2025 Financials

- Net loss of $(3,728,000) compared to a budgeted net loss of $(1,059,000).
- Total revenues was $9.1 million above budget about 7% better.
- Total net claims expense was $12.6 million above budget or about 10%.
- Loss ratio was 98.8%, 2.7 percentage points worse than budget and 4.0 percentage points higher than for the same period last year.
- Administrative expenses were $1.2 million under budget. Admin costs were 10.3% of revenue. 1.6% better than budget but higher than last year.
- Capital and surplus is $36.8 million.

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Overview of 2026 Contract rates (average increase over 2025)

- Medicaid
  - PMAP 16.4%
  - MNCare 17.6%
  - SNBC 13.1%
  - Seniors 14.5%

  Average of all Medicaid programs 14.3%
- Risk corridor for all Medicaid products
- Medicare
  - SeniorsCare Complete 9.2%
  - AbilityCare 14.9%

Please Mark Your Calendar

Annual AMC Dinner

Monday, December 8

6:30-8:30pm

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