

# MEMBER COUNTY BOARD 2026 FALL REPORT

Key Organizational, Program, and Legislative Updates

Leota Lind, CEO



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## **Contracts and membership:**

CMS and DHS updates

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## **Operations:**

PBM transition, leadership changes, and finance update

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## **Policy:**

Federal implementation and legislative strategy

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## **Milestones:**

CARMA development and our 25th anniversary

## SeniorCare Complete (H2419)

- Passive enrollment begins January 1, 2027
- Approximately 250 new members anticipated
- 2027 rates: + 9.1%

## AbilityCare (H5703)

- No significant program changes anticipated
- 2027 rates: +13.3%

**Overall Medicare rate increase: 12%**

250

new members anticipated under SeniorCare Complete, beginning January 1, 2027

# DHS Contracts, Membership & Rates

## Contracts

Families and Children, SNBC, MSHO and MSC+

## Membership

Approximately 150 additional MSC+ members projected

Anticipate a phased reduction in membership in PMAP related to new Federal HR1 requirements

## 2027 rate changes

Overall +6.4%

PMAP +5.7%

MinnesotaCare +3.2%

SNBC +3.0%

Seniors -2.4%

# Pharmacy Benefit Manager (PBM) Transition

New partner

**Abarca**

Effective date

**January 1, 2027**

Full-service PBM licensed in MN; sub-contractor to PerformRx today

Low-risk transition: no change to claim system or file exchange

Implementation underway with members, providers and pharmacies

Offers future process improvements: CRM system and BetterPath

**Our priority:** A seamless pharmacy experience for members

# Leadership Transitions

## **Bill Lawrence, Director of HR:**

Retiring at year-end; role will be refilled at the manager level

## **Scott Schufman, CFO:**

Retiring at year-end; Wakely is planned to provide financial services

*We thank Bill and Scott for their years of leadership and service*

# August 2026 Financials

**\$963,000**

Net gain through August

**91.7%**

Loss ratio year to date

**\$47.5M**

Capital and surplus

## Revenues and claims

Total revenues \$2 million (1%) below budget

Net claims expense \$3 million (2%) above budget

## Administrative expenses

\$865,000 below budget

8.5% of revenue — 0.3 point better than budget and 1.8 points better than last year

**Loss ratio** is 2.6 points above budget but 7.1 points better than the same period last year

# Preparing for HR 1 Implementation

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Noncitizen adult MA eligibility changes — effective October 1, 2026

Six-month MA renewals — effective January 1, 2027

Work or community engagement requirements — effective January 1, 2027

Reduced retroactive MA eligibility to one month — effective January 1, 2028 (state funds maintain three months through December 31, 2027)

**Our focus:** Member outreach and education to help members understand the changes and maintain access to care

# CARMA: Building the Model

**Opportunity:** CARMA is a unique opportunity for county-led innovation in serving people with complex health and social needs.

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## Progress

Monthly meetings are underway

2

## Current work

Contract structure and financial model

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## Next milestone

RFP anticipated in early 2027

- 1 Assess the post-election landscape
- 2 Prioritize county-based purchasing and rural health care
- 3 Align messages with counties and partners
- 4 Prepare for the 2027 legislative session

# Celebrating 25 years of Local Partnership, Innovation and Service

25  
YEARS

**November 1, 2026:** South Country marks its 25th anniversary

Celebrations will recognize the counties, staff, providers, partners and members who made this milestone possible



Annual AMC Dinner, Monday December 7



# Looking Ahead Together

A horizontal bar composed of five colored segments: red, green, purple, blue, and teal.

2027 will bring meaningful change—and new opportunities  
County partnership and engagement remain central to our success

Questions and discussion