

SECOND AMENDED AND RESTATED HEALTH CARE ACCESS INITIATIVE JOINT POWERS AGREEMENT

This Second Amended and Restated Health Care Access Joint Powers Agreement ("Agreement"), under the authority of Minnesota Statutes § 471.59, is made by and between the governmental units signing this Agreement. These governmental units will hereinafter be referred to as "Member Counties".

SECTION 1. LEGAL NAME AND GENERAL PURPOSES

The purpose of this Agreement is to establish a board of directors to organize, govern, plan and administer a multi-county health care access development organization.

The legal name of the Joint Powers entity shall be "PrimeWest Rural Minnesota Health Care Access Initiative," hereinafter referred to as "PrimeWest Health." The Board may, from time to time, adopt business names for PrimeWest Health. The purposes of PrimeWest Health shall be to promote affordable access to health care services in rural Minnesota counties served by PrimeWest Health. PrimeWest Health may accomplish these purposes by the operation of a County-Based Purchasing organization, by the establishment and operation of a Health Maintenance Organization, by the provision of administrative services to other health care organizations, and/or by such other lawful means as may be available to PrimeWest Health.

SECTION 2: JOINT POWERS BOARD COMPOSITION

PrimeWest Health shall be governed by a Joint Powers Board consisting of one County Commissioner to serve as a primary representative from each Member County. Each Member County shall also designate one County Commissioner to serve as an alternate representative to the Joint Powers Board in the absence of the primary representative.

SECTION 3: DEFINITIONS

- 1. County-Based Purchasing.** An option prescribed by Minnesota Statutes § 256B.692 that allows Counties to choose to purchase or provide health care services for persons eligible for the Minnesota Health Care Programs (MHCP).
- 2. Health Maintenance Organization.** A Health Maintenance Organization ("HMO") established under the provisions of Minnesota Statutes Chapter 62D.
- 3. Entrant Member.** A signatory to this Agreement that is a County in which PrimeWest has been authorized to operate as a County-Based Purchasing organization in accordance with Minnesota law, but has not yet entered into a contract with the Minnesota Department of Human Services (DHS) and/or the

Centers for Medicare and Medicaid Services (CMS) for the provision of services to Minnesota Health Care Program enrollees in such County.

4. **Existing Member.** A signatory to this Agreement that is a County in which PrimeWest Health has contracted with DHS) and/or CMS for the provision of services to Minnesota Health Care Program enrollees in such County.
5. **Joint Powers Board.** The board of directors of PrimeWest Health.
6. **Member County.** Any County which is a signatory to this Agreement.
7. **Minnesota Health Care Programs.** The following health care programs administered by the Minnesota Department of Human Services (DHS), for which PrimeWest Health provides County-Based Purchasing services: Prepaid Medical Assistance Program (PMAP), MinnesotaCare, Minnesota Senior Care Plus (MSC+), Special Needs BasicCare (SNBC), Minnesota Senior Health Options (MSHO), and other similar programs that may be established by DHS. This includes Federal Medicare Advantage Programs as they apply to Minnesota Health Care Programs.

SECTION 4: MEMBERSHIP

1. Agreement to Participate.

Entrant and Existing Members of PrimeWest Health shall adopt a County Board resolution approving this Agreement. The addition of Member Counties shall be subject to a majority vote of the Existing Members of the Joint Powers Board. The Joint Powers Board may define membership requirements, including required financial contributions as determined by PrimeWest, for additional Member Counties. Entrant Members shall pay PrimeWest Health the amount agreed upon between PrimeWest Health and the Entrant Member for costs incurred by Entrant Member participants participating on the PrimeWest Health Joint Powers Board, PrimeWest Health Public Health & Human Services Directors Committee, and the PrimeWest Health Quality & Care Coordination Committee, including participant stipend, mileage and meal costs.

Each Existing Member shall maintain cash or a letter of guarantee to meet its portion of the reserve funding as defined by the Joint Powers Board. Each Entrant Member County shall commit to join and participate in PrimeWest Health by submitting a County Board resolution to that effect to the chairperson of the Joint Powers Board. The County Board resolution shall include the County Board's commitment to making a financial contribution to PrimeWest Health capital reserves in the amount determined by PrimeWest Health necessary to maintain adequate Risk Based Capital for the Entrant County's population enrolled in PrimeWest Health Minnesota Health Care Programs. . For the avoidance of

doubt, an Entrant Member shall not be required to make its required financial contributions to PrimeWest Health until the award of a DHS or CMS contract that converts the Entrant Member to an Existing Member.

Upon conversion from Entrant to Existing Member, the County shall make required financial contributions to PrimeWest Health's capital reserves over a time period agreed upon by PrimeWest Health. If the County does not make its full required financial contribution to PrimeWest Health as of the date it becomes an Existing Member, the County shall, as a condition of becoming an Existing Member, provide an executed Promissory Note to PrimeWest Health for any portion of the required financial contribution not paid as of the date the County becomes an Existing Member.

2. Member County Withdrawal and Termination.

A Member County may withdraw from this Agreement by filing with the Joint Powers Board Chair a written notice of intent to withdraw by December 31, one year prior to the year of withdrawal, or upon the completion of a DHS Minnesota Health Care Programs managed care competitive procurement process in which the Member County elects or recommends that DHS not contract with PrimeWest Health for conducting Minnesota Health Care Programs managed care in the Member County, and/or DHS elects not to contract with PrimeWest Health for conducting Minnesota Health Care Programs managed care in the Member County. The effective date of withdrawal for an Existing Member shall be at the conclusion of the term of any existing Minnesota Health Care Programs managed care contracts between PrimeWest Health and DHS or CMS. The effective date of withdrawal for an Entrant Member shall be the date notice of intent to withdraw is provided.

The Joint Powers Board may terminate any Member County's participation in this Agreement if the Member County does not select or recommend PrimeWest Health to be the single Minnesota Health Care Programs plan in its county as a result of a DHS Minnesota Health Care Programs managed care competitive procurement, and/or DHS elects not to contract with PrimeWest Health as the single Minnesota Health Care Programs plan in the Member County. The effective date of the termination of an Existing Member shall be at the conclusion of the term of any existing Minnesota Health Care Programs managed care contracts between PrimeWest Health and DHS or CMS for that Member County.

Any Existing Member formally withdrawing or terminated from participation remains obligated to pay any required contribution according to the terms of this Agreement for the current year but shall have no further liability or obligation to the Member Counties except as to the actions, events, or responsibilities arising or occurring before the effective date of withdrawal. Any accumulated revenue, reserves, special board designated funds, property or equipment owned by the

Joint Powers Board, shall be retained by the Joint Powers Board. A withdrawing or terminated Existing Member shall be entitled to repayment of monies pursuant to any loan agreement.

Upon receipt of a notice of intent to withdraw, the Chair of the Joint Powers Board shall send a copy of said resolution to each Member County and to all applicable state and/or federal regulatory agencies.

The withdrawing Member County shall fulfill any outstanding responsibilities it may have with the State of Minnesota or to the remaining Member Counties or to other parties following its withdrawal from this Agreement. The withdrawing County shall be responsible to notify the State of Minnesota of its intent to continue or to discontinue its participation in the County-Based Purchasing program.

SECTION 5: QUORUM/VOTING

1. Quorum.

A quorum shall consist of no less than seventy-five (75) percent of all Member Counties. For purposes of matters pertaining to PrimeWest Health finances or such other matters that are reserved to the Existing Members, a quorum shall consist of no less than seventy-five (75) percent of all Existing Members. Member Counties are represented at Board meetings by either the Member County's primary representative or alternate representative on the Joint Powers Board. No Board actions shall take place absent quorum.

2. Voting.

Board actions shall be determined by majority of the Member County votes cast at a meeting of the Board by each represented Member County's primary or alternate representative, unless otherwise provided in this Agreement or by applicable law; provided, however, that only Existing Members shall be entitled to vote on matters impacting PrimeWest Health finances, and such actions shall be determined by a majority of the Existing Member votes cast (provided a quorum of Existing Members is present). Each Member County has one vote. Abstentions shall not be counted as "votes cast" for purposes of this section. Passage or amendment of Bylaws shall be by a two-thirds majority of the votes cast at a meeting of the Board by each represented Member County's primary or alternate representative. Voting by proxy is prohibited.

SECTION 6: OFFICERS

1. The Joint Powers Board shall annually elect from its Existing Members a Chair, a Vice Chair, a Treasurer and a Secretary. Those officers shall serve through December 31 of the year when first elected and until his/her successor is elected.
2. An Officer shall be elected in the same manner as stated in #1 above to fill out an unexpired term of the Chair, Vice Chair, Treasurer or Secretary which becomes vacant.
3. The Joint Powers Board may elect or appoint such other officers as it deems necessary to conduct its meetings and affairs.
4. The Chair shall designate a recorder at each meeting, who need not be a Joint Powers Board member or alternate representative, and who shall distribute minutes of the last meeting to all Joint Powers Board members at least seven days prior to the next meeting.

SECTION 7: MEETINGS

1. The Joint Powers Board shall meet at least monthly on a schedule determined by the Joint Powers Board. All meetings of the Joint Powers Board shall be conducted in a manner consistent with the Minnesota Open Meeting Law (Minnesota Statutes Chapter 13D).
2. Meetings of the Joint Powers Board may be called or cancelled by the Chair or upon written request of a majority of the Joint Powers Board members.
3. Written notice shall be sent to all Joint Powers Board members at least seven days prior to each meeting.

SECTION 8: POWERS AND DUTIES

The powers and duties of the Joint Powers Board may include, but are not limited to, the following:

1. Exercising all lawful powers necessary and incidental to the implementation of the purposes and powers set forth herein including, but not limited to, the adoption of Bylaws to govern the functioning of the Joint Powers Board.
2. Operating a County-Based Purchasing program through all necessary and lawful activities incident thereto, including receiving and expending Minnesota Health Care Programs and Federal Medicare funds, or other funds from lawful sources including any governmental sources, gifts, or donations for the purpose of providing County-Based Purchasing services.
3. Providing access to affordable health insurance coverage in rural Minnesota.

4. Providing administrative and management services for other county and community-based health insurance or health care services organizations, including, but not limited to, other County-Based Purchasing organizations and Accountable Care Organizations.
5. Authorizing PrimeWest Health to obtain all applicable state licensure, registration and/or approval necessary to the implementation of the purposes and powers set forth herein including approval as a County-Based Purchasing program, licensure as a Health Maintenance Organization for group and individual health coverage programs, licensure as an Insurance Services Administrator, and/or such other licensure, registration or approval deemed necessary.
6. Approving the annual budgeting process and budget using the calendar year as the budget year.
7. Collecting money subject to the provisions of this Agreement from its Member Counties and from any other sources authorized by law.
8. Adopting Bylaws to govern the operations of the Joint Powers Board and adopting and implementing a plan to carry out its purpose identified herein.
9. Consulting with knowledgeable persons who can provide pertinent information to achieve its purpose.
10. Cooperating or contracting with the State of Minnesota and political subdivisions, Federal agencies, or private or public organizations to accomplish the purposes for which it is organized.
11. Contracting for or purchasing such insurance as the Joint Powers Board deems necessary for the protection of the Member Counties, the Joint Powers Board, its property and staff.
12. Accumulating reserve funds for the purposes herein mentioned and investing funds not currently needed for its operations. The Joint Powers Board shall define investment guidelines for all funds in accordance with statutory guidelines and standard government procedures.
13. Contracting, employing consultants, incurring expenses, and making expenditures necessary and incidental to the effectuation of its purpose and powers in conformance with the requirements applicable to contracts and purchases of all of the Member Counties.
14. Commissioning an annual audit of the books and accounts of the Joint Powers Board and making and filing a report with its Member Counties at least once each

year. Strict accountability of all funds and reports of all receipts and disbursements shall be made.

15. Appointing such committees as it deems necessary to exercise the powers of the Joint Powers Board.
16. Receiving and sharing data from appropriate State and Federal agencies and Member Counties as necessary and appropriate to accomplish its purposes.

SECTION 9: FINANCIAL STRUCTURE

1. Annual Budget.

An annual budget shall be prepared by the Chief Executive Officer and submitted by December 15 to the Joint Powers Board for approval unless a later date is required by circumstances beyond the organization's control.

2. Cost Sharing.

a. County-based Purchasing.

In the event that Member Counties are called upon to provide capital funding for PrimeWest Health County-based Purchasing, costs will be shared proportionally among Member Counties based on each Member County's most recent 12-months' enrollment in the PrimeWest Health County-Based Purchasing programs.

b. Health Maintenance Organization.

In the event that Member Counties are called upon to provide capital funding for PrimeWest Health HMO, costs will be shared proportionally among Member Counties based on each Member County's most recent 12-months' attributed enrollment in the PrimeWest Health-HMO program. For this purpose:

- (1) Members enrolled through a Member County-owned organization that operates as an independent entity will be counted towards the attributed enrollment of that Member County.
- (2) Members enrolled through a multi-county joint powers organization that operates as an independent entity will be counted towards the attributed enrollment of each Member County, in proportion to that County's total population according to the most recent U.S. Census. Only enrollees attributed to Member Counties

will be included if a multi-county joint powers organization includes a mix of Member Counties and other Counties.

c. Administrative Services.

In the event that Member Counties are called upon to provide capital funding for PrimeWest Health Administrative Services business, costs will be shared proportionately based on each Member County's total population according to the most recent U.S. Census.

d. Payment of Contributions.

When funds are requested by the Joint Powers Board, Member Counties will have thirty (30) days to make their contribution after which point late fees of 1.5% per month will apply.

Accounts in arrears will be covered by the remaining Member Counties using the same allocation formula referred to in this section while collections are being pursued.

3. Excess Revenue Policy.

PrimeWest Health shall treat excess revenue from County Based Purchasing activities for Minnesota Health Care Programs in accordance with Minnesota Statutes §256B.692 and in accordance with federal regulations for excess Medicare revenue. Any excess revenues over necessary expenses not attributable to County Based Purchasing activities for Minnesota Health Care Programs and Medicare Advantage may be allocated at the discretion of the Joint Powers Board, in accordance with applicable law.

SECTION 10: STAFFING

1. Administration.

The Joint Powers Board shall be responsible for hiring, supervising and dismissing the PrimeWest Health Chief Executive Officer whose responsibilities include performing and overseeing the administrative, management and operational activities of PrimeWest Health.

2. Duties of the Chief Executive Officer.

Administrative, management and operational duties of the Chief Executive Officer shall include, but not be limited to the following:

- a. Carrying out the mission and purpose of PrimeWest Health to promote access to health care services in rural Minnesota.
- b. Hiring, supervising and dismissing employees and contractors necessary to assist in performing the administrative, management and operational activities of PrimeWest Health, in implementing policies established by the Joint Powers Board, and in promoting access to affordable health care services for individuals residing within the Member Counties.
- c. Complying with all financial, legal and regulatory requirements and reporting obligations required of PrimeWest Health.
- d. Preparing and presenting PrimeWest Health's proposed annual budget to the Joint Powers Board.
- e. Implementing and carrying out all Joint Powers Board established policies.
- f. Preparing agendas for the Joint Powers Board.

SECTION 11: DATA PRACTICES AND CONFIDENTIALITY

The Joint Powers Board and PrimeWest Health staff shall take steps to ensure compliance at all times with Minnesota Statutes Chapter 13, relating to Government Data Practices. The Joint Powers Board and PrimeWest Health shall take all reasonable steps and adopt all necessary policies and procedures to ensure PrimeWest Health's compliance with all applicable laws governing the privacy of individually identifiable health information, including the Minnesota Health Records Act, Minnesota Statutes §§144.291-144.34, and the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its implementing regulations.

SECTION 12: COMMITTEES

The Joint Powers Board may establish such committees, subcommittees, task forces or advisory groups as necessary for the operations of PrimeWest Health. Final decision making authority on behalf of PrimeWest Health with respect to recommendations or activities of any such committee, subcommittee, task force or advisory group shall remain with the Joint Powers Board.

SECTION 13: AMENDMENT OF JOINT POWERS AGREEMENT

Amendments to this Agreement must be approved by the County Board of each Member County hereof.

SECTION 14: MUTUAL INDEMNIFICATION

Each Member County shall fully indemnify and hold harmless the other Member Counties against all claims, losses, damage, liability, suits, judgments, costs and expenses by reason of the action or inaction of its employees or designees assigned to the Board. This agreement to indemnify and hold harmless does not constitute a waiver by any Member County of limitations on liability provided by Minnesota Statutes Chapter 466.

SECTION 15: TERMINATION

This Agreement shall continue in force until a unanimous vote of termination is passed by the Joint Powers Board, or until the Joint Powers Board only consists of one Member County. Upon dissolution of this Joint Powers Agreement, all property purchased or owned pursuant to this Agreement shall be sold and the proceeds thereof, together with all other assets not necessary for satisfaction of PrimeWest's obligations, shall be distributed in accordance with applicable law to the Existing Members and proportionally across all Existing Members based on each Existing Member's most recent 12-months' enrollment in the PrimeWest Health County-Based Purchasing programs. The effective date of dissolution shall be established in a manner that will allow PrimeWest sufficient time to conclude its affairs in a manner consistent with its legal obligations.

SECTION 16: EXECUTION IN COUNTERPARTS

This Agreement may be executed in counterparts.

BE IT FURTHER RESOLVED THAT this Agreement shall remain in full force and effect, subject to the terms stated herein, until such time as the Member Counties amend, revise, or terminate this Agreement.

We hereby commit this County to participation in this Amended and Restated Health Care Access Initiative Joint Powers Agreement according to the terms stated herein.

Adopted by the KANDIYOHI County Board of Commissioners on November 5th, 2019

COUNTY BOARD OF COMMISSIONERS
Kandiyohi County, Minnesota

Roland Nissen
Kandiyohi County Chair

ATTEST:

Mark Thompson
Kandiyohi County Auditor / Treasurer