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Primary Health Inc. sold to not-for-profit

EUGENE, Ore. — The sale of Boise-based Primary Health Inc. to PacificSource Health Plans, an Oregon-based not-for-profit health insurer, was announced Monday.

Through the transaction, Primary Health Inc. — a holding company that includes Primary Health Network, a commercial health plan that covers more than 16,500 Idahoans and Riverside Benefit Administrators, a third-party administrator for self-funded employee benefit plans with 12,600 covered lives — becomes a wholly owned subsidiary of PacificSource, which also acquires a majority interest in Idaho Physicians Network Inc.

Primary Health Medical Group operates independently of Primary Health Inc. and is not part of the acquisition.

“We are excited about the level of opportunity this acquisition offers for not just our organization, but all Idahoans,” Ken Provencher, president and CEO of PacificSource, said. “The combination of Pacific-Source and Primary Health will enhance the competitive landscape in the Idaho insurance market. It will also accelerate our ability to work at the community level to help increase access to affordable, quality healthcare.”

Primary Health’s 66 Idaho employees will stay on staff and will remain at their existing office locations for the immediate future.

Dave Self, former head of operations for Primary Health, has been named senior vice president of PacificSource Health Plans of Idaho. He will lead the Idaho sales and operations of the health plan.

For the duration of 2009, employers and members covered by Primary Health should expect no difference in their service or coverage.

The existing Primary Health office will continue to provide claims, customer service, billing, and renewal support to existing customers until Jan. 1, 2010. At that time, business will transition to PacificSource’s claims system. The Riverside Benefit Administrators operation will merge with Select Benefit Administrators, another PacificSource subsidiary company.

Idaho Physicians Network will continue to operate as a Boisebased standalone subsidiary of PacificSource.