



A trusted partner
in the health of
Albertans



2005 ANNUAL REPORT





A trusted partner in the health of Albertans

Alberta Blue Cross is Alberta's leading provider of quality supplementary health and dental benefits, and also provides emergency medical travel coverage and group life and disability coverage through the Blue Cross Life Insurance Company of Canada.

Independent and not-for-profit, Alberta Blue Cross serves more than 1.3 million Albertans through employer group, government-sponsored and individual health plans. In 2005, we processed more than 27 million claim lines with a total value of \$1.3 billion.

With seven offices across the province and over 700 employees, Alberta Blue Cross has a local presence that ensures we understand—and meet—the changing health needs of Albertans.



www.ab.bluecross.ca



A trusted partner in the health of Albertans

From the origins of Alberta Blue Cross more than 50 years ago, our organization has been committed to earning the trust of those we serve. Over generations of Albertans, this trust has been built through a demonstrated commitment to understanding and meeting the supplementary health care needs of Albertans. Today Alberta Blue Cross continues to reinforce this trust as we evolve with Albertans through rapidly changing times.

As a measure of the trust that Albertans have in our organization, in late 2005 Alberta Blue Cross participated in a survey of Alberta residents by the polling company Ipsos-Reid. The question we wanted to ask Albertans was this: if they wanted or needed a health benefit plan that included prescription drug and dental coverage, who would they contact first?

The results of this survey were significant. Of those who stated a preference, 82 per cent of Albertans surveyed said they would choose Alberta Blue Cross. Interestingly, the next company was mentioned by only 8 per cent.

This number reflects the high trust Albertans place in Alberta Blue Cross, and also the high level of confidence Albertans place in the products and services we deliver. At the same time, the high percentage of Albertans who state a preference for Alberta Blue Cross underscores the continued relevance of our organization in pursuing our Mission: to provide supplementary health care and related benefit programs and services, on a viable, not-for-profit basis, for the financial protection and well-being of our publics.

Being a trusted partner in the health of Albertans is a role that Alberta Blue Cross welcomes—but not a role that we take for granted.

With a favourable provincial economy and the continued support of Albertans, 2005 was a year of growth for Alberta Blue Cross in both our volume of business and number of customers. As a result, we were able to carefully invest in our staff, our systems and our infrastructure to ensure we maintain the capabilities to serve Albertans. At the same time, we closely managed our expenses to ensure every dollar we spent was a wise investment on behalf of our customers. Strong financial results in 2005 also enabled Alberta Blue Cross to reinforce the reserve fund we are required to maintain to meet future operating requirements and ensure the organization's continued financial viability. This reserve fund provides the backstop critical to successfully provide for claims that could result from a catastrophe or epidemic, and ensures that Alberta Blue Cross is able to maintain reasonable rates despite economic fluctuations.



Ron Malin, President and Chief Executive Officer

As we look ahead to 2006 and beyond, Alberta Blue Cross remains committed to meeting the evolving supplementary health needs of Albertans. We remain committed to stringent plan management in the face of rising health costs to ensure the long-term viability of our customers' plans. We remain committed to ensuring that, as health care system reform progresses, our products and services are continually evolving to meet the interests of our varied customers. And we remain committed to delivering a broad range of products to meet the needs of Albertans—whether they are direct beneficiaries of economic growth or not.

Alberta Blue Cross is well positioned for the future, and we remain committed to our role as a trusted partner in the health of Albertans.

Ron Malin
President and Chief Executive Officer

L.G. Young
Chair, Board of Directors

Innovative ways to meet your needs

There are many reasons why more than 4,200 employers across the province—ranging in size from two employees to thousands—choose to rely on Alberta Blue Cross for their group benefit needs.

Whether it's electronic claims submission and direct billing for benefits, toll-free phone lines and easy online access, innovative products, best price agreements with health service providers, our proven expertise—or just being the trusted name Albertans know and prefer—Alberta employers once again made Alberta Blue Cross their top choice for employer health benefits through 2005.

Krista Staples knows first hand the value of her Alberta Blue Cross Health Spending Account (HSA).

Staples is the executive director of the Taber Special Needs Society. In operation since 1987, the Society provides support to adults with developmental disabilities to help them live meaningful lives in their community. The society has grown significantly over the past few years, and now employs 70 staff.



Krista Staples knows the value that Alberta Blue Cross Health Spending Accounts offer her employees.

“Health Spending Accounts give our employees the flexibility they deserve to decide how they use their coverage,” says Staples. “Since every employee has unique health needs, not everyone fits perfectly into the same plan so Health Spending Accounts give them coverage that suits their specific needs.”

Like the Taber Special Needs Society, many Alberta employers are now opting to bring additional flexibility to their group benefit plans by complementing them with HSAs. These accounts, using pre-tax credits allocated by the employer, reimburse employees for a wide range of health related expenses not covered by their group plan or provincial medicare programs.

At one time available only to large employers, HSAs are now offered to Alberta Blue Cross groups of any size—from two employees to thousands. Providing a practical, affordable and tax-effective way to meet the diverse needs of employees, HSAs also ensure cost containment for employers. They are easy to implement and administer, and because the employee portion of health/dental plan rates is an eligible expense within Health Spending Accounts, the tax advantages of an HSA are better than ever before.

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Through 2005, Alberta Blue Cross continued to refine and streamline our Health Spending Account products. We wanted to ensure Alberta employers received the highest quality products that allow them to provide flexible, meaningful health benefits to their employees.

Allan Friesen, Senior Group Representative with Alberta Blue Cross, says that like the Taber Special Needs Society, many of his other clients across southern Alberta recognize the merits of HSAs.

"HSAs are great tools for meeting the diverse needs of different employees," Allan explains. "To the degree they are funded, HSAs can almost be 'all things to all people!'"

Streamlined and responsive

Alberta Blue Cross is constantly enhancing service to its customers and the health service providers whose services are covered by our plans. In 2005, for example, a new agreement was created to make the claiming process for physical therapy services as simple as possible for both clients and their physiotherapists—and to ensure consistent reimbursement for patients across the province who have Alberta Blue Cross coverage.

Through this agreement, developed in consultation with the Alberta Physiotherapy Association and College of Physical Therapists of Alberta, physical therapy providers agree to bill Alberta Blue Cross customers for physical therapy services only after all public funding has been fully accessed. These providers are no longer required to complete a *Determination of Need* assessment form for the claim to be considered, thus providing more efficient administration for physical therapy clinics that choose to participate in the agreement.

Your partner in southern Alberta

With seven offices across Alberta, Alberta Blue Cross has an office near you. Our Lethbridge office is located on 4th Street South and has four employees. It may be a small office, but the Lethbridge branch, like all of Alberta Blue Cross's district offices, works tirelessly to ensure the needs of Lethbridge and area employers are met.



Alberta Blue Cross Lethbridge branch members, from left, Allan Friesen, Glenda Horon, Cathy Stevens and Darlene Sipes.

The Lethbridge team consists of Allan Friesen, Glenda Horon, Darlene Sipes and Cathy Stevens, each of whom has been a dedicated employee of Alberta Blue Cross for at least 14 years. Thanks to committed employees like these, Alberta Blue Cross secured its spot once again in 2005 as Alberta's leader in group benefit plans.

Solutions for a changing market

In July 2005, the Alberta government implemented changes to regulations allowing Albertans with supplementary health benefit coverage to use it up front to help pay for chiropractic and podiatry services. Previously, government regulations prohibited patients from accessing secondary coverage to cover the patient's portion of fees for chiropractic or podiatry services until the Alberta Health Care Insurance Plan annual benefit amounts for these services were exhausted.

As soon as the regulation change was announced, Alberta Blue Cross undertook a thorough evaluation of the potential cost and utilization impact for our group customers to ensure their benefit plans continued to provide maximum value to both employees and group plan sponsors. We also consulted with many of our customers regarding their preferences.

As a result, Alberta Blue Cross now provides a number of options based on group size and benefit plan design to accommodate employers who wish to retain existing contract provisions, and those who prefer that their plans provide first-dollar coverage to plan members for chiropractic and podiatry services.

Keeping pace with Albertans

In today's changing economy, many Alberta residents are self-employed, working without employer benefits or retiring early. Through 2005, increasing numbers of Albertans took advantage of Alberta Blue Cross individual health plans to protect themselves and their families from high health and dental costs.

Our customers include Albertans from all walks of life—from tradespeople, engineers and contractors to farm families, accountants and retirees. It's a customer base that is as diverse as the population of Alberta itself. As the Alberta economy continues to grow and change, Alberta Blue Cross individual health plans continue to provide practical benefits and affordable peace of mind to thousands of Albertans.

Last year marked the 60th anniversary of the end of the Battle of the Atlantic—a long and bitter battle waged during World War II to keep Allied shipping lanes open and, more crucially, enemy U-boats out.

Alberta resident Gordon Wright is a veteran of this campaign and fought as an able seaman aboard the Canadian frigate HMCS Swansea. Mr. Wright was fortunate to have made it back to Canada with his life. He also returned with memories that, even after 60 years, are as vivid as ever.



Gordon Wright, an Alberta veteran, knows first hand the benefits of Alberta Blue Cross travel and individual coverage.

Now president of the Edmonton chapter of the Royal Canadian Naval Association, Mr. Wright remains involved with Canadian veterans, and has spoken at a number of commemorative engagements about his experiences.

In April 2005, Mr. Wright was planning a trip to Northern Ireland so he contacted an Alberta Blue Cross travel specialist to inquire about emergency medical travel coverage. In his letter he detailed what were to be the 60th anniversary commemorative ceremonies of the port town of Londonderry, Northern Ireland.

Making the trip to Londonderry with his youngest son was important to Mr. Wright. "Londonderry was the main port for Canadian warships. We really found a home away from home there," says Mr. Wright. "To this day, I maintain contact with sailors from across the country—we're still great friends."

Mr. Wright has been covered by Alberta Blue Cross for more than 50 years and values his coverage for a number of reasons. "Trips like these are invaluable to me, and having Alberta Blue Cross travel coverage gives me the confidence and security I need to enjoy them.

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I didn't have to worry about a thing while I was away—it's just a great feeling," he says.

Mr. Wright is one of many Albertans who have experienced the benefits and peace of mind that Alberta Blue Cross travel coverage provides. "I've had Alberta Blue Cross coverage for as long as I can remember and over the years the coverage has been consistently great—and at times has been a real lifesaver for my family."

Partnering to provide superior sales and service

Located in Edmonton, our Individual Products Sales call centre serves the entire province and handles a multitude of inquiries each day from individuals and families not covered by employer-sponsored group plans. This team is directly supported by our administration team, which handles all enrolment, billing and updates for our growing base of individual health plan customers. The Individual Products Administration department also includes a team of travel specialists, which sells out-of-province emergency medical care travel coverage through a call centre.

Nirmal Singh, manager of the Individual Products Sales department, understands the importance of maintaining a close working relationship with other members of the Individual Products team—from administration to travel specialists—and knows that everyone works hard to make this a successful business area for Alberta Blue Cross. "Our close relationship with the administration and travel teams means that our representatives feel extremely confident in the products and services we offer," says Nirmal.

"It's wonderful to have a great product," comments Nirmal, "but we cannot deliver true value to our customers without support teams that provide superior administrative service once the product is sold."



Nirmal Singh, manager of the Alberta Blue Cross Individual Products Sales department, and Tyra Prepchuk, team manager of the Alberta Blue Cross Individual Products Administration department, whose teams work together to ensure the best possible service for our clients.

Tyra Prepchuk, team manager of the Individual Products Administration department, agrees. "Alberta Blue Cross individual health plans aren't just a series of products—they come with an expectation of the highest quality administrative service. And those high expectations are the standards we live by," she says.

Individuals like Nirmal and Tyra, along with the hardworking teams they lead, ensure Alberta Blue Cross's place as Alberta's market leader in providing quality health and dental plans to individuals and families.

Delivering exceptional value

Paying for prescription drugs can be a costly business. Drug costs are continuing to increase across Canada and individuals are being prescribed more medication than ever before. As a result, having a benefit plan with drug coverage isn't just a convenience—it's a necessity.

In 2005 alone, Alberta Blue Cross processed over 22 million pharmacy claims for our customers, which represents an increase in claim volume of 6.8 per cent over 2004.

Almost everyone has had to visit a pharmacy to get a prescription filled at one time or another. Alberta Blue Cross individual health plans help Alberta families budget their prescription drug costs, and provide valuable protection against the high cost of unexpected illness, medical conditions and future health problems—ensuring that filling prescriptions won't empty their bank accounts.

Alberta Blue Cross individual health plans protect our customers and their families, allowing them to focus on their health and future—and not on the bottom line.

Supporting enhancements in government programs

For more than 30 years, Alberta Blue Cross has been contracted to administer supplementary health benefit programs sponsored by the Government of Alberta. This has resulted in a close working relationship that goes far beyond the paying of claims for these programs. In fact, Alberta Blue Cross employees work directly with provincial government personnel on a daily basis to provide a wide range of services, from assisting with the development, implementation and administration of programs to ongoing communication and interaction with plan participants.

The efficiency of our operations and our detailed knowledge of health services utilization and trends positions us to provide valuable assistance to government program sponsors, as they work to ensure the viability of the programs and services Albertans value.



In April 2005, the Government of Alberta introduced the *Dental Assistance for Seniors Program* to provide qualifying Albertans ages 65 and older with coverage for basic dental services ranging from check-ups, cleanings, fillings and root canals to partial and complete dentures.

Alberta Blue Cross's solid experience, technological infrastructure and clinical expertise made us the preferred choice for administering the new program on behalf of the Alberta Seniors and Community Supports Ministry.



Antonio Laporta, shown here with his wife Maria, appreciates the value of the Dental Assistance for Seniors Program.

Alberta Blue Cross is meeting the challenge of administering this valuable service for more than 200,000 Alberta seniors. The program is already in full swing, assisting many Albertans with their basic dental needs. Because the level of coverage is determined by income level, the amount of coverage varies from person to person. But as Antonio Laporta, a retired father of four living in Calgary, knows, "Every little bit counts."

"It was really nice that I didn't have to filter through a lot of paperwork to sign up," says Antonio. "It was done automatically because I already had Coverage for Seniors through the Alberta government."

Seniors across Alberta now have the added peace of mind that comes with knowing that their basic dental needs will be met through the *Dental Assistance for Seniors Program*. Alberta Blue Cross is thrilled to be an active partner in this program.



There when you need us

As a 10-year employee with Alberta Blue Cross, Gayle Grieves-Mang, a training coordinator in the Alberta Blue Cross Dental Call Centre, has developed a high level of expertise in the dental benefits field. She also understands the complexities of the Government of Alberta's new *Dental Assistance for Seniors Program*.

Since the program was launched, Gayle has acted as an expert liaison between Alberta Blue Cross and representatives from Alberta Seniors and Community Supports, keeping both parties informed of the program's progress and how Alberta Blue Cross is managing the adjudication of claims.

Gayle provides a unique perspective on the program as she offers her insights into dental health and adjudication processes to those involved in the initiative.

Thanks to people like Gayle, who understand the value of establishing and maintaining effective partnerships, Alberta Blue Cross will be there for our government clients—whenever they need us—now and in the future.



Gayle Grieves-Mang, training coordinator in the Alberta Blue Cross Dental Call Centre, works hard to ensure our partnership with the Alberta government remains strong.

Partners in the fight against antibiotic resistance

If you've heard of the "not all bugs need drugs" initiative, you're likely aware of the concern among health care professionals of the growing problem of antibiotic resistance resulting from the overuse of antibiotics. To assist in this initiative, on Nov. 15, 2005, a new Optional Special Authorization process was implemented by Alberta Blue Cross on behalf of Alberta Health and Wellness, Alberta Human Resources and Employment, Alberta Seniors and Community Supports and Alberta Children's Services. This new process was the result of a comprehensive evidence-based review undertaken as an initiative of the Alberta Health and Wellness Expert Committee on Drug Evaluation and Therapeutics through the Review of Benefit Status (ROBS) process.

This review examined all classes of systemic antimicrobial agents currently covered or being considered for coverage through the Alberta Health and Wellness Drug Benefit List. The mandate of the review was to encourage optimal utilization of certain medications and to help prevent antimicrobial resistance.

Completed in accordance with pre-determined guiding principles, the review ensured that the changes:

- would not cause unnecessary barriers to the appropriate use of antibiotics,*
- would not cause unnecessary barriers to the prevention of resistance to antibiotics,*
- would minimize any increase in paperwork or workload for prescribers and pharmacists, and*
- would be simple to implement in daily practice.*

Putting our technology and expertise to work

Alberta Blue Cross continually enhances products and services to ensure we continue to meet the needs and interests of Albertans. To achieve these enhancements, we must continually upgrade the technical infrastructure that supports our ability to handle the millions of claims we administer each year.

But technology alone is not enough to ensure Alberta Blue Cross's position as a market leader. To keep on the leading edge of change, our employees must also be creative, adaptable and willing to constantly learn and improve their skills. They form the backbone of our organization, and ensure the needs of our customers are met.



In 2005, Alberta Blue Cross processed more than 27 million claim lines, for benefits ranging from dental fillings to prescription drugs. In our pharmacy area alone, we adjudicated more than 60,000 pharmacy claims every day. To handle this kind of volume, it is important we effectively maintain and improve our technical infrastructure.

Alberta Blue Cross's pharmacy claims submission technology saw significant enhancements through 2005. Alberta Blue Cross introduced Internet capabilities for pharmacy claims, offering pharmacy service providers in Alberta faster ways to connect to Alberta Blue Cross systems.

Previously, pharmacies had to use a dial-up modem to securely access Alberta Blue Cross systems. This meant that Alberta Blue Cross had little control over the speed with which claims could be adjudicated because, even though claims are adjudicated within seconds once in the Alberta Blue Cross system, the speed at which the dial-up modem would transfer the client's information from the pharmacy and return their adjudicated claim could vary.

Now, Alberta Blue Cross offers two options for submitting claims via the Internet. The first is by Virtual Private Network (VPN), which uses a special "tunnel" to connect directly to our systems without using a dial-up modem. The second, Secure Socket Layer (SSL), uses certificate authentication software that allows pharmacies to connect to our systems using secure links.

Both methods use the highest level of encryption and offer quick and secure means of remotely connecting to Alberta Blue Cross systems.

As the need for system enhancements continues to grow and change, Alberta Blue Cross will continue to use and develop up-to-date and innovative technology, like the enhancements to our pharmacy claims submission methods, to help meet our customers' growing needs.



Partnering with a community of experts

Richard Hanak, senior network analyst with Alberta Blue Cross's Information Systems and Technology (IS&T) Networks, Communications and Security Services department, understands the importance of having top quality technological systems available to Alberta's health service providers.

For more than 16 years, Richard has worked in a number of capacities in the Alberta Blue Cross IS&T area. Working on a team that designs and builds exceptional network systems, Richard helps deliver the leading edge technology on which Alberta's health service providers have come to rely.

In addition to system design and construction, Richard collaborates with pharmacy management software vendors to ensure that Alberta Blue Cross's systems are current, secure and provide the fastest claim adjudication responses possible.

"Vendors produce software that is designed with health service providers in mind," says Richard. "Developing and maintaining quality working relationships with these vendors is extremely important and provides the foundation for mutual decision-making. Ultimately,



A member of the Alberta Blue Cross Networks, Communications and Security Services team, Richard Hanak is helping to develop network systems that make sense for Alberta Blue Cross customers and Alberta's health service providers.

our teams are working together to implement technologies that fit our organizations and make the most sense for our customers and providers."

Constantly developing to serve you better

At Alberta Blue Cross, we believe our people are the key to our success. Employees who believe in our products and services and take pride in being productive and accountable play a key role in making us the largest provider of supplementary health and dental benefits in Alberta.

To ensure our employees are prepared to serve our customers as efficiently as possible in environments that are constantly evolving and changing, Alberta Blue Cross has made a commitment to employee education through training, career planning and professional development. In fact, a total of 455 Alberta Blue Cross employees took part in professional development training sessions in 2005 alone.

Through 2005, many Alberta Blue Cross employees gained knowledge and experience through the Northern Alberta Institute of Technology's (NAIT) Project Management program. Customized for Alberta Blue Cross participants, the program offers employees a greater understanding and appreciation of the nuances of project coordination—a necessity as our projects and processes become increasingly complex.

Our focus on continued education and skill development supports our evolution toward a high performance workplace, and in our quest to serve the needs of Albertans, helps our employees perform to their full potential.

Supporting our community

We believe in focusing on a common goal and pulling together to achieve it. Whether it's providing Alberta Blue Cross customers with the best in supplementary health benefits, or making our province a better place to live, our winning team is committed to building a healthy future for all Albertans.

Alberta Blue Cross supported a number of charitable organizations around the province in 2005. Employees raised \$49,909 for United Ways across Alberta (a total of \$105,909 after a contribution was made by the ABC Benefits Corporation Foundation). The Ride of Hope, a cycling fundraiser for the Kids with Cancer Society, raised a whopping \$30,000 on its 2005 tour around Alberta. In August, the Alberta Blue Cross Row for Life Regatta team raised more than \$8,000 for the Alberta Cancer Foundation in Edmonton.

Donating time for smiles

In January 2005, two Alberta Blue Cross employees, Mariana Susnjara of Provider Audit Services and Michelle Weatherly of Dental Professional Review (who is also a Registered Dental Assistant), volunteered their time to participate in a group that travelled to Corn Island, Nicaragua to provide free dental services to the needy. The group was Kindness in Action, a volunteer-based organization, that works primarily in rural towns and villages in Central and South America, India, Thailand and the Philippines.



Mariana Susnjara of the Alberta Blue Cross Provider Audit Services department poses for a photo with two Nicaraguan children helped by the volunteer-based organization Kindness in Action.

The dental team was composed of four dentists and 15 volunteers who set up and ran a clinic out of a small school on the southern part of the island. The majority of their work involved extractions and fillings, but a large portion of time was also spent teaching children and their parents how to brush their teeth. Alberta Blue Cross employees donated thousands of dollars through fundraising activities in 2005 to help the Kindness in Action group provide these valuable services.

"I had always wanted to do something like this," said Mariana. "So when the opportunity came up, I decided to take it. The experience was so rewarding and we met and helped so many wonderful people. The people of Corn Island put a smile on my face every day, and I believe we helped them with their smiles as well."



Hearts of Blue

Later in 2005, the Hearts of Blue employee charity committee issued a “Foil the Grinch” challenge to Alberta Blue Cross employees, who were encouraged to collect as many toys as they could for Santas Anonymous.

Alberta Blue Cross employees answered the challenge with gusto and, in total, 637 toys were collected throughout the company. The toys were donated to Santas Anonymous on December 16—ensuring that underprivileged children had gifts to unwrap at Christmas.

Other organizations assisted by the Hearts of Blue in 2005 included:

- Grande Prairie and District Grief Support
- Lurana Shelter
- Community Options
- Red Cross Tsunami Relief
- Operation Friendship
- Cerebral Palsy Association in Alberta
- Youth Emergency Shelter Society
- Southern Alberta Epilepsy Association
- Fort McMurray Santa's Anonymous
- Edmonton Food Bank
- Sacred Heart Church of the First Peoples
- Medicine Hat Salvation Army
- Edmonton School Hot Lunch Program
- Meals on Wheels
- ME Society
- Norwood Child and Family Resource Centre
- Mustard Seed Church

Seeing the future through healthy eyes

In 2005, Alberta Blue Cross, through the ABC Benefits Corporation Foundation, was pleased to team up once again with the Alberta chapter of the Canadian National Institute for the Blind (CNIB) as a sponsor of its annual vision health public awareness campaign that ran through February 2005.

The focus of the 2005 campaign was on glaucoma and age-related macular degeneration.

The month-long initiative included a radio campaign that promoted vision health across the province and a series of free public seminars. The radio campaign featured 30-second announcements that encouraged listeners to get a regular eye exam and reminded them that “you don’t have to be blind to come to the CNIB.”

Caring in our company and in our community

Michelle Holmes, one of Alberta Blue Cross’s Individual Products Sales Representatives, is a busy person. Not only does she work full time in her position at Alberta Blue Cross, but she also takes the time to volunteer on Alberta Blue Cross’s Staff Association—a volunteer committee that organizes company social events. In 2005, Michelle organized the Alberta Blue Cross Staff Christmas Party for nearly 500 Alberta Blue Cross staff, friends and family.

But she doesn’t stop there. In her “spare” time, Michelle also volunteers in fundraising activities for juvenile diabetes, the Stollery Children’s Hospital Foundation, the Red Cross, breast cancer research and the Edmonton Women’s Shelter (WIN House). With employees like Michelle, Alberta Blue Cross is sure to continue making an impact in Alberta communities for years to come.



Michelle Holmes of the Alberta Blue Cross Individual Products Sales department is a champion of volunteering in her community.

Pedalling for life

The first Corporate Challenge athletic event of 2005 took place Monday, May 9 as a group of Alberta Blue Cross employees accepted the Big Bike Challenge sponsored by the Heart and Stroke Foundation of Alberta, NWT and Nunavut.

Teams of 29 people had to fundraise for the cause (a minimum of \$50 per participant). When the numbers were tallied, the 29 Alberta Blue Cross fundraising cyclists (opposite page) raised over \$3,000 for the Foundation and had a blast riding the gigantic bike around Edmonton’s Hawrelak Park—twice!

Healthy company, healthy workplace, healthy employees

Alberta Blue Cross has always cared about its employees. And, not surprisingly, Alberta Blue Cross employees also care about their company. In fact, in times when employee retention remains a serious issue for many organizations, during 2005, Alberta Blue Cross celebrated 64 employment anniversaries of at least 20 years, six of which were for more than 30 years and one of which was a 40-year anniversary.

With many well-developed workplace wellness programs already in place, Alberta Blue Cross understands that its health as an organization depends largely on the health and well being of its workplace and its employees and has always ensured that employee health is of utmost importance.

In May 2005, Alberta Blue Cross employees were invited to a staff assembly which offered them a glimpse into the health of Alberta Blue Cross as a company, the health of their workplace and got them thinking about their own health. The event focused on maintaining a healthy balance in all areas of life.

President and CEO Ron Malin spoke about the health and future direction of our company; our evolution toward a high performance workplace, with a high concern for people and a high concern for productivity; and the effect of external factors such as the political, social and environmental landscapes.

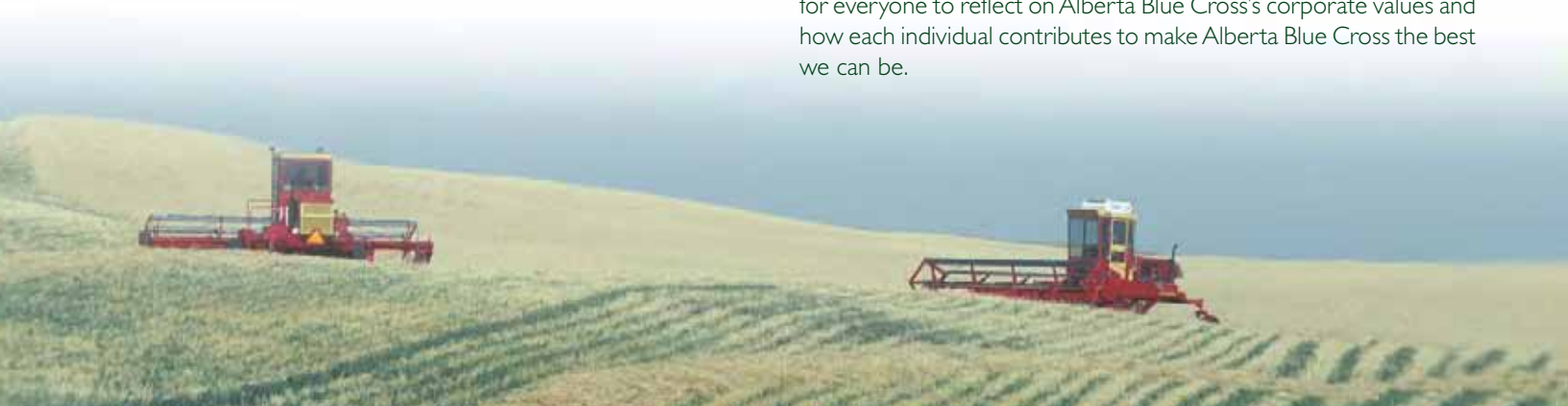


Alberta Blue Cross employees learned about their health, the health of their workplace and the health of Alberta Blue Cross as an organization at the 2005 Alberta Blue Cross staff assembly.

Dr. Linda Duxbury, an acclaimed workplace researcher and professor at Carleton University's Sprott School of Business, explained how Alberta Blue Cross fits into current workplace trends, and the important steps we've taken to encourage employee retention and ensure the health of our organization for the future.

Finally, employees heard Marjorie O'Connor, a highly respected and long-time mentor in the Canadian fitness community, speak about personal health and provide suggestions for simple stress-relieving activities that employees could use at work.

The assembly was motivating for employees, providing an opportunity for everyone to reflect on Alberta Blue Cross's corporate values and how each individual contributes to make Alberta Blue Cross the best we can be.



Keeping active

In conjunction with the staff assembly, Alberta Blue Cross initiated an activity program in May 2005 to encourage employees to start thinking about different types of exercise and what they can do to get or stay fit. Every employee was provided with a pedometer for their personal use and was encouraged to count their steps, laps and kilometres to see how easy it was to burn calories.

The program was a huge success and left many employees with a new appreciation for how easy it is to get active—even at work.

In fact, many Alberta Blue Cross employees took getting fit to a new level and competed in the 2005 World Masters Games which were held in Edmonton in July. Employees had a blast competing and left the Games with a new appreciation for their sport, while making many new friends from around the world.

Encouraging healthy futures for our employees

Employee health is an important issue for every organization, and Alberta Blue Cross is no exception. Our Human Resources department works tirelessly to ensure employees are well cared for and that their needs are being met.

Jill Little, senior benefits and compensation advisor with the Human Resources department, knows how important employee health is to an organization. "I was pleased to coordinate the employee activity program held last summer," says Jill. "Employee health is essential for maintaining a high-functioning workplace, and I was delighted with the results of the activity program. With employee participation at around 50 per cent, we were very pleased with the result—and hopefully the program inspired some of our staff to incorporate an activity routine into their lives."



Jill Little, senior benefits and compensation advisor with the Alberta Blue Cross Human Resources department, is a busy mother of one with another child on the way. Jill understands the importance of including activity into even the busiest of lifestyles, and helps to encourage employees at Alberta Blue Cross to be active through her involvement in the Alberta Blue Cross Activity Program.

Partners in privacy

As a health-information based organization, Alberta Blue Cross has always operated in a culture of confidentiality; respecting and maintaining the privacy and security of personal information at all times. We have established corporate privacy and security policies and procedures that respect and address plan members' privacy needs and meet all legal and business requirements for the protection of the personal information we hold for the purposes of administering benefit plans. These policies and procedures guide the actions of everyone carrying out work for Alberta Blue Cross and govern the "life cycle" of information: collection, use, disclosure, storage and disposal.

In 2005, our privacy steering committee continued to focus on implementation and reinforcement of Alberta Blue Cross's corporate privacy policies, as well as on education and communication strategies with our staff, customers and stakeholders.

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Our Mission:

To provide supplementary health care and related benefit programs and services on a viable, not-for-profit basis, for the financial protection and well-being of our publics.

Alberta Blue Cross Executive Operations Committee

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T8V 3X8
(780) 532-3505

Lethbridge
470 Chancery Court
220 4th Street S
T1J 4J7
(403) 328-1785

Medicine Hat
203 Chinook Place
623 4th Street SE
T1A 0L1
(403) 529-5553

Red Deer
152 Riverside Office Plaza
4919 59th Street
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