

Alberta:
our focus
...our home



Alberta: our focus ...our home



Independent and not for profit,
Alberta Blue Cross is an organization
Albertans know and trust. Our business
has been based in Alberta since 1948
and our local presence and ties to
communities across the province ensure
we stay focused on the needs of Albertans.
We are proud to have roots deep in the
soil of this province—our home.

Mission Statement

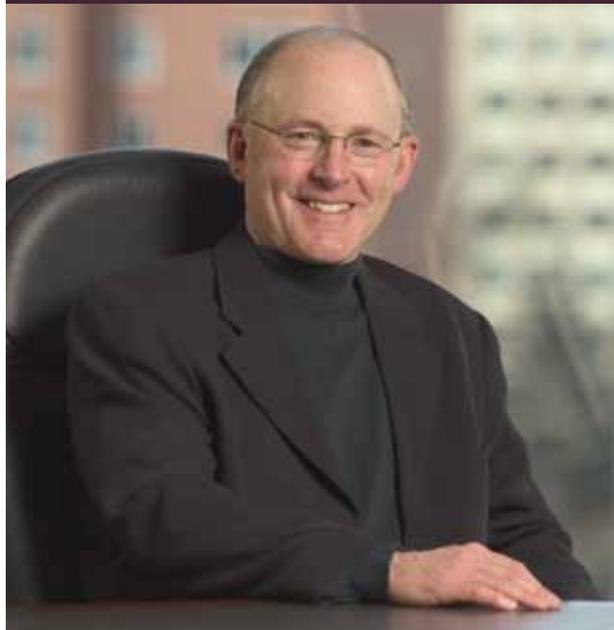
Our mission is to provide supplementary health care and related benefit programs and services, on a viable, not-for-profit basis, for the financial protection and well-being of our publics.

Proud to be one of Alberta's top employers

In 2009, Alberta Blue Cross was selected as one of Alberta's Top Employers for the third consecutive year. Alberta's Top Employers program recognizes those Alberta employers that lead their industries in offering exceptional places to work and is associated with the annual Canada's Top 100 Employers competition, which is announced each fall by the Globe and Mail.

To place in Alberta's Top 50 competition, organizations must have their head office—or principal place of business—in Alberta, but could be of any size, whether public or private. More than 2,600 employers across Canada participated in the application process in 2009.





Corporate Address

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Alberta Blue Cross provides supplementary health and dental benefit programs to meet the health needs of over 1.5 million Albertans.

Alberta is our focus—and it's also our home.

Our focus...

Alberta Blue Cross exists and operates under an Act of the Alberta Legislature. This governing legislation gives our organization a truly unique purpose: to initiate, own, participate in or operate projects, plans, or programs, and to provide related services, that are intended or designed to improve the health and well-being of the residents of Alberta and other customers of the Corporation; and to provide or arrange for the provision of supplementary health benefit programs and related or associated benefit programs and services.

Through 2009, Alberta Blue Cross maintained our focus on the health of Albertans—working diligently to retain our position as Alberta's leading benefit carrier. As health care reform initiatives proceeded, we supported the Government of Alberta to introduce substantial enhancements to its programs. As employers faced an uncertain provincial economy, we ensured their group benefit plans delivered the plan management and cost control needed to provide long-term plan viability. As growing numbers of Albertans moved to self-employment and alternate work arrangements, we enhanced our individual health plans to provide even greater value while helping Albertans maintain and protect their health. As communication technologies continued to advance and interest in environmental sustainability continued to grow, we evolved our business operations to further reduce paper consumption, to deliver more information online via our secure web site applications, and to expand our leading-edge real-time electronic claim submission and adjudication systems.

Our home...

For over 60 years, Alberta Blue Cross has been part of Albertans' lives. As one of Alberta's 50 largest corporations, we flowed over \$1.8 billion through our provincial economy in 2009 alone. We buy products and services in Alberta. We pay local property taxes, and Payment In Lieu Of Tax (PILOT) as well as Premium Tax to the Province of Alberta. We employ over 900 Albertans in locations across the province. We live in and care about the communities we serve, participating in a variety of initiatives across the province each year to promote the health of Albertans. We apply our local expertise to ensure our products and services are responsive to the changing needs of Albertans. We take pride in providing excellent service to Albertans.

Alberta Blue Cross works hard to meet the needs of our fellow Albertans—and to maintain their trust. We place a high value on what Albertans think of our organization. In December 2009, Alberta Blue Cross participated in an Ipsos Reid survey to gauge how we're doing in the eyes of Albertans. We were very pleased to find that a full 70 per cent of Albertans would contact Alberta Blue Cross first for their health benefit needs. In contrast, only five per cent of Albertans would contact the next highest ranking organization.

We are pleased that Albertans continue to recognize and appreciate the unique value Alberta Blue Cross provides.

Ron Malin
President and
Chief Executive Officer

L.G. Young
Chair,
Board of Directors

Achieving optimal drug use

As Alberta's health care system continues to evolve, Alberta Blue Cross is committed to working with Alberta Health and Wellness to support the health of Albertans. In 2009, we participated in a variety of initiatives supporting the Government of Alberta's plan to make Alberta's health care system more efficient and effective by expanding the role of pharmacists in the interest of achieving optimal drug use.

In March 2009, Alberta Blue Cross began administering claim processing for the new Alberta Pharmacy Practice Model Initiative (PPMI) pilot project on behalf of the Pharmacists' Association of Alberta (RxA). The initiative was funded by Alberta Health and Wellness through a grant provided to RxA, and enabled qualified pharmacists to receive additional compensation by applying their clinical skills and competencies to patient medication reviews and medication management. Participating pharmacists conducted patient medication management assessments, care plans and evaluations and were reimbursed for pharmacy clinical services provided under PPMI guidelines. The trial service model, which continues into 2010, is intended to show the impact of services on patient outcomes and will be assessed by Alberta Health and Wellness as it develops new remuneration models for such services in the future. During the pilot project, Alberta Blue Cross administered reimbursement (from the Alberta Health and Wellness grant to RxA) to over 100 participating pharmacies across the province.

In fall 2009, Alberta Blue Cross applied our real-time pharmacy claims adjudication system to administer payments to pharmacies for the injection of influenza vaccines through the Alberta Public Health Activities Program. The program was created by Alberta Health and Wellness in conjunction with provincial pandemic preparedness planning. Alberta Blue Cross was able to adapt our systems to facilitate administration of payments to pharmacies for injection of such vaccines. The initiative was of critical importance to Albertans in the interest of protecting public health and maintaining provincial pandemic preparedness.



Facilitating a more timely and transparent drug review process

To bring greater transparency to the drug review process in 2009, Alberta Blue Cross introduced enhancements to the interactive *Alberta Health and Wellness Drug Benefit List (iDBL)* on behalf of the Government of Alberta.

These enhancements include a new feature added to the iDBL that allows users to view the status of products under review by the Alberta Health and Wellness Expert Committee on Drug Evaluation and Therapeutics along with the associated timelines. These enhancements to the iDBL are particularly useful to health service providers, including pharmacists, to support the management of patient care. This feature is also available to Albertans interested in inquiring about the status of drug products under review.

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Alberta Blue Cross is committed to working with

Supporting the Alberta Pharmaceutical Strategy

In October 2008, the Government of Alberta announced the Alberta Pharmaceutical Strategy, a plan to make government-sponsored prescription drug coverage more affordable, accessible, efficient and effective.

In support of this strategy, in July 2009 Alberta Blue Cross introduced significant enhancements to the prescription drug Special Authorization process under the direction of Alberta Health and Wellness and in consultation with the Alberta Health and Wellness Expert Committee on Drug Evaluation and Therapeutics. These enhancements, which include the use of auto-renewals and step therapy for certain drug products, substantially reduce the number of incidences where Special Authorization requests for coverage are required—accounting for a reduction in Special Authorization requests of nearly 25 per cent. Enhancements to the Special Authorization process increase convenience for physicians, pharmacy service providers and prescription drug program participants alike, without compromising the well-being of program participants.



Reducing out-of-pocket costs for seniors

In April 2009, Alberta Blue Cross began administering the Optical Assistance for Seniors Program on behalf of Alberta Seniors and Community Supports—and introduced key enhancements to claiming processes through this important program.

The Optical Assistance for Seniors program provides basic optical coverage to more than 206,000 seniors in the province and eligibility for the program is based on income. A key element that we offer in our administration of this program is online claim submission for vision claims. Eligible vision claims for participants in the Optical Assistance for Seniors Program can be submitted by optical providers directly to Alberta Blue Cross through our easy-to-use secure web site, meaning seniors only need to pay their portion for eligible expenses.

Optical providers who offer the convenience of online claim submission can quickly and easily verify eligibility and coverage levels on behalf of plan participants through our online claim system.

Plan members with coverage through Alberta Blue Cross group and individual benefit plans as well as clients in programs sponsored by Alberta Employment and Immigration (AEI) and the Assured Income for the Severely Handicapped (AISH) program have experienced the convenience of online vision claim submission since 2008.

Electronic submission of vision claims is provided in addition to our dental and pharmacy direct-bill networks.



Alberta Health and Wellness to support the health of Albertans.



Enhancing navigation via our redesigned web site

Alberta Blue Cross is continually expanding the self-service capabilities delivered through our web site. In December 2009, we launched our redesigned public web site with enhanced navigation—to deliver a more efficient user experience by directing site users more quickly to information and resources of relevance to them.

The redesigned site takes into account industry best practices for design and navigation. The new navigation reflects the fact that the Alberta Blue Cross web site focus has shifted from being primarily a marketing site to a multi-purpose site with content and functionality targeted at several specific user groups. The new site also includes a redesigned and enhanced plan administrator section accessible directly from the main home page.

When Alberta Blue Cross first launched our external web site more than a decade ago, the site consisted of 25 pages. The functionality of this site has continually expanded to meet the needs of existing, as well as prospective, customers and to provide increasing levels of self-service. The web site currently has over 250 unique pages, including a wide variety of forms, Secure Member Services, and downloadable versions of brochures and publications. Use of the site continues to grow rapidly.

Controlling group benefit costs through an economic downturn

During the recent economic slowdown across Alberta, controlling business operating costs became—and still is—a priority for most organizations. Alberta Blue Cross has always been committed to delivering cost control that ensures not only that plan sponsors get the best value for their benefit plan dollars today, but that plans remain affordable for the future.

The Alberta Blue Cross approach to group benefits is unique in the marketplace because it strikes a balance between providing affordability for the business and reasonable benefits for the employee. As more businesses look to contain operating costs, they are definitely recognizing the value of this managed approach. Alberta Blue Cross delivers cost control through both plan design and plan management. Delivering flexibility in plan design with choices in benefits and coverage options offers control over costs. Alberta Blue Cross plans also contain management features such as frequency limitations and annual maximums to sustain the affordability of the plan, as well as numerous controls to ensure the eligibility of claims. Plan affordability is reinforced through fixed bases of payment for benefits such as dental coverage, as well as through best price and billing agreements with pharmacy and health service providers. This controls plan costs—which in turn supports plan viability.

As a not-for-profit organization, Alberta Blue Cross ensures the best value for our customers because the rates paid for coverage go solely toward claims and administration costs. And as an Alberta-based benefit carrier, when plan sponsors do business with us, their money stays in Alberta.

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As an Alberta-based benefit carrier, when plan sponsors



Providing innovative benefits

In spring 2009, Alberta Blue Cross took flexibility to a new level by introducing Wellness Spending Accounts as a plan option to employer groups with 25 or more employees.

Alberta Blue Cross has administered taxable Health Spending Accounts for a number of years for large plan sponsors across the province. However, in response to increasing demand for flexible benefit options, Alberta Blue Cross Wellness Spending Accounts were made available for a wider range of employer group sizes.

Complementing core benefit plans and Health Spending Accounts, Wellness Spending Accounts provide an innovative means to support all aspects of plan members' well-being. The accounts address employee health needs at a holistic level by providing reimbursement for the wellness-related activities important to them. While many employers provide support for some of these types of needs in an unstructured fashion, Wellness Spending Accounts allow employers to bundle these areas of focus into a single benefit. This gives employees more choice and control over their wellness, while directing employer expenditures.

Wellness Spending Accounts are part of Alberta Blue Cross's managed approach to group benefits, balancing added flexibility for group plan members with cost containment for plan sponsors. Our managed plan approach is based on providing realistic and affordable core benefits, complemented by both Health and Wellness Spending Accounts.



Rowing for kids

Alberta Blue Cross is pleased to support the Stollery Children's Hospital Foundation by entering rowing teams in the annual Row for Kids regatta.

Through employee fundraising efforts such as Ice Cream day, Cookies for Kids, Casual for a Cause day, a 50/50 draw along with personal fundraising, the Alberta Blue Cross rowing crew raised \$7,811.79 in 2009 to support the Stollery Children's Hospital Foundation.

In September 2009, the Alberta Blue Cross Iron Oar crew took to the water on Telford Lake in Leduc to defend its 2008 gold medal. While the crew didn't make it into the final event, the Stollery Children's Hospital Foundation was still a winner at the end of the day.

The 2009 Row for Kids competition raised \$118,500 overall in support of the Stollery Children's Hospital Foundation.



do business with us their money stays in Alberta.



Investing in communities across the province

At Alberta Blue Cross, we believe that being involved in United Way fundraising efforts is a good investment in the future of our community and our society.

The 2009 Alberta Blue Cross United Way campaign included a mix of presentations and special events such as treat auctions and raffles to make the annual campaign both enjoyable and informative. Through our employees' generosity, the 2009 campaign raised \$71,613 through employee donations and special events. When combined with the Alberta Blue Cross corporate-matching portion and loaned representative funding, the total amount contributed to the United Way came to \$135,913. These funds help ensure the United Way is able to deliver services to people in communities across Alberta.



Helping make positive lifestyle changes

In early 2009 Alberta Blue Cross introduced the Health & Wellness Companion to individual health plan members as a benefit to help this growing customer base become more conscious of lifestyle decisions that affect their health and to support them in making positive changes. The Health & Wellness Companion is provided by Alberta Blue Cross to all individual health plan members as a value-added benefit at no additional cost. This interactive benefit has been made available to employer group plan members since 2008.

The Health & Wellness Companion is a secure, user-friendly web site that offers a variety of helpful resources to help plan members maintain their health. The site includes a comprehensive health resource library, a prescription drug information database, health assessments and a personal health record. An enhancement to the site in 2009 was an innovative interactive health symptom checker which provides information related to a wide range of conditions from head to toe.

The Health & Wellness Companion, designed and maintained by Practice Solutions (a subsidiary of the Canadian Medical Association) on behalf of Alberta Blue Cross, has unparalleled credibility and has already seen wide use by individual plan members.

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We strive to ensure our plans continue to meet our



Enhancing Seniors Plus plans

As Alberta's health care system continues to evolve, Alberta Blue Cross is committed to ensuring that supplementary health benefits provided through our plans deliver the appropriate level of coverage.

In fall 2009, Alberta Blue Cross unveiled enhancements to our Seniors Plus individual health plans based on the results of extensive research, which included surveys and interviews with Alberta Blue Cross Seniors Plus customers.

Seniors Plus plans were enhanced to provide higher maximums for a wide array of benefits including both dental and vision care services. Based on customer feedback, a new Plan D option was also added which provides increased coverage levels and higher maximums as well as coverage for physiotherapy services.

Alberta Blue Cross is constantly striving to ensure our plans continue to meet our customers' needs, both today and into the future.

Rolling up a sleeve to save a life

The employees at Alberta Blue Cross donated more than time and money to worthy charities in 2009—a number of them donated blood, literally helping to save lives.

Approximately every minute of every day, someone in Canada needs blood or blood products for surgery or for medical treatment. Each blood donation can save up to three lives.

During the 2009 Corporate Challenge Blood Donor Challenge, Alberta Blue Cross employees provided 49 donations. Alberta Blue Cross also provides another opportunity for employees to give by organizing monthly blood donor shuttles over the noon hour. Every few months, a Canadian Blood Services shuttle provides convenient door-to-door return service to the Canadian Blood Services clinic for up to a dozen of our employees.



customers' needs, both today and into the future.

Prepared for a pandemic

The outbreak of the H1N1 flu virus in 2009 forced organizations and individuals alike to reassess measures taken to protect the health of Albertans while keeping businesses functioning.

Alberta Blue Cross already had plans in place to support our critical business functions in the event of a serious seasonal flu outbreak or a pandemic. To ensure we can provide continuous service to our customers without risking the health and safety of our employees, we maintain a strategic pandemic plan as a component of our Business Continuity Plan. We also hold a reserve fund, which is required to meet any future operating requirements and ensure our organization's continued viability. This reserve fund provides the backstop critical to successfully provide for the significant number of claims that could result from a catastrophe or epidemic.

In consideration of the H1N1 flu virus outbreak, we took additional measures to ensure that the health of our employees and customers was protected against the potential of a local outbreak. An educational campaign consisting of information on how to minimize the risk of contracting the flu and the importance of vaccination was conducted across our organization and disseminated to all of our plan sponsors and plan members. Internally, sanitization of all common areas in our head office was conducted every weekend over the duration of the flu season and hand sanitizers were distributed throughout Alberta Blue Cross including our branch offices. Critical supplies such as sanitizing foam, disinfectant wipes and cleaners, rubber gloves and face masks were also stockpiled and full-time employees were given two hours of company time to attend a public health clinic to ensure they and their families could receive the H1N1 vaccine.



Alberta Blue Cross employees attend the informative Health Fair during Focus on Health Week.

Maintaining a healthy focus as an organization

Alberta Blue Cross has a long history of supporting our employees in their efforts to stay healthy, productive and fulfilled. From being one of the first employers in Edmonton to go smoke-free in the late 1980s to introducing the Health & Wellness Companion (an interactive online health resource starting with our own employees in 2008), Alberta Blue Cross has placed an ongoing emphasis on employee wellness. In mid 2009, we took this commitment to an even greater level with a *Focus on Health* week that included employee Health Checks with a registered nurse, a Health Fair and a Healthy Company open-house event.

Alberta Blue Cross is focused on supporting our employees in their efforts to attain and sustain good health. Maintaining good health impacts all aspects of our lives—at work, at home and in our communities.

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Alberta Blue Cross is focused on supporting our



Supporting Alberta pork producers ...and Alberta food banks

Alberta Blue Cross stepped up to the plate—literally—in the fall of 2009 to show our support for Alberta's pork producers in recognition of the challenges this important industry is facing in our province.

Among our 1.5 million valued customers across the province are thousands of families and businesses that rely on the pork industry for their livelihoods. In 2003 and 2004 Alberta Blue Cross undertook an initiative to demonstrate our support for the province's beef industry when it was suffering due to market challenges. So in 2009 we rolled out a comparable plan to show our support for Alberta's pork producers.

This included hosting a luncheon in our corporate head office in Edmonton where we served pulled pork on a bun to our employees, distributing information and recipes from the Alberta Pork Producers association to our staff and promoting the availability of pork freezer packs to our employees across the province. We also made a corporate donation of 2,000 pounds of Alberta pork to food banks in Edmonton, Calgary, Red Deer, Lethbridge, Grande Prairie and Medicine Hat.

Alberta Blue Cross recognizes the importance of the pork industry in Alberta and we are pleased to show our support to those Albertans who rely on this industry.



Sponsoring fall prevention

In 2009, Alberta Blue Cross was a sponsor of the Finding Balance campaign launched by the Alberta Centre for Injury Control and Research and the Alberta Medical Association. This initiative was an educational program designed to raise awareness about seniors' falls in Alberta and to provide seniors with tips for fall prevention. The program included an ad campaign, a video presentation, promotional materials and an informative web site—all focused on helping seniors prevent falls and maintain mobility and independence.

Our investment in the campaign is consistent with past support Alberta Blue Cross has provided to province-wide, community-based efforts designed to support the health and wellness of Albertans.



Red Deer



Edmonton



Calgary

employees in their efforts to sustain good health.

Assisting families across Alberta



At Alberta Blue Cross, we support our employees in their desire to assist communities across the province through numerous charitable projects.

Hearts of Blue, our staff-funded charity committee, is fully operated by Alberta Blue Cross employees. It is committed to providing both financial assistance and volunteer opportunities to charitable organizations across the province that do not receive an abundance of government funding yet still play vital roles in our communities. By collecting money through voluntary payroll deductions and coordinating volunteer participation for specific events, Hearts of Blue supports registered charities and other not-for-profit organizations across the province by providing money and in-kind donation items such as food, clothing and furniture. To encourage its success, Alberta Blue Cross makes a significant annual financial contribution and also provides resources to promote and communicate this program to our staff.

Some of the organizations assisted by Hearts of Blue in 2009 included Child Find Alberta, Habitat for Humanity, Operation Friendship, Santas Anonymous, Sacred Heart Church of the First Peoples, Lethbridge Boys and Girls Club, Red Deer Loaves and Fishes school lunch program and Kids Kottage Foundation.

Focused on providing exemplary service

Alberta Blue Cross is committed to providing excellent service to over 1.5 million customers across the province. As service levels eroded among many businesses in 2009 as a result of downsizing associated with the economic downturn, Alberta Blue Cross looked to enhance our service levels. An important aspect of providing this level of service is ensuring we make continual investments in technology to support our ability to handle the millions of claims we administer each year. This includes making enhancements to our existing technical infrastructure as well as ongoing systems development to position our organization for the future.

We realize improving our technical infrastructure alone does not guarantee successfully meeting our goals. In 2009, our health claim statements were reformatted to allow easier reference for plan members and web-based self-service opportunities were improved and expanded on for both providers and plan members.

We are also committed to enhancing our employees' skills and knowledge to ensure we are able to meet the needs and interests of Albertans. Our focus on continued education and skill development supports our focus on a high performance workplace, serving the needs of both employees and our customers across the province.

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We are committed to providing excellent service



Pedalling for heart and stroke research

In May 2009, 29 Alberta Blue Cross employees pedalled the Heart and Stroke Foundation's Big Bike to raise more than \$9,000 to fight heart and stroke disease. The Alberta Blue Cross team achieved second place in the Edmonton area fundraising teams division in 2009.

The Big Bike is one of the Heart and Stroke Foundation's most popular fundraising events. Creating excitement wherever it goes, the event is named after the big 30-seat bike. Teams made up of 29 enthusiastic riders (and one driver provided by the Foundation) pedal through their community in support of heart disease and stroke research.

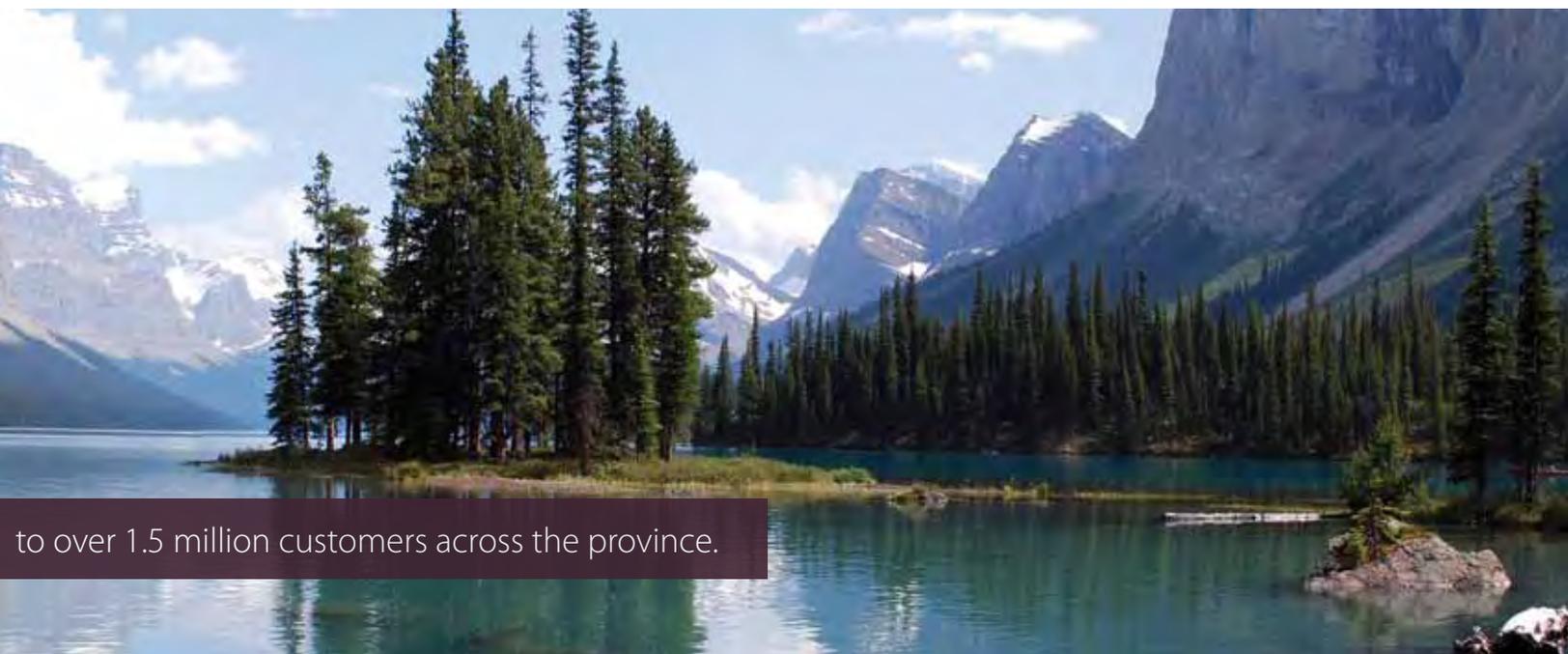


Promoting teamwork, wellness and fun

In 2009, Alberta Blue Cross took part in the 18th annual Edmonton and area Corporate Challenge games. Alberta Blue Cross employees competed over two weeks against 31 companies in 26 events ranging from volleyball and dragon boat races to scavenger hunts and orienteering. Alberta Blue Cross employees have participated every year since the games began in Edmonton.

Corporate Challenge is one of Canada's largest amateur sporting events, with 170 companies, 18,000 participants, 1,900 volunteers and more than 3,600 hours of competition. Created in 1992, Corporate Challenge provides an opportunity for local businesses to foster employee interaction, teamwork, morale, pride, and health and wellness. The games encourage an active lifestyle for all participants.

Alberta Blue Cross was a proud sponsor of the games in 2009 and supports our employees' participation each year.



to over 1.5 million customers across the province.

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ABC Benefits Corporation

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Alberta Blue Cross

2009 Executive Operations Committee

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Ray R. Pisani	Vice-President, Group, Individual and Government
Jerry Rudelic	Senior Manager, Marketing Research and Product Development, Group Underwriting and Administration



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www.ab.bluecross.ca

Alberta: our focus ...our home

Alberta Blue Cross is the largest supplementary health benefits provider in Alberta and one of the largest in Western Canada. Alberta based and Alberta grown, we serve more than 1.5 million Albertans with coverage through over 5,000 small and large employer group plans, individual plans and government-sponsored programs.

In 2009, Alberta Blue Cross processed 37 million claim lines with a value of \$1.7 billion. Our Customer Services department received over 528,000 calls.

Despite the broad scope and volume of our business, we practice a front-line approach to business—responding on a first-hand, personal basis through toll-free customer service lines, local offices across Alberta and the Internet.

