

2014  
annual report



Here for ***your*** health:  
*a unique mandate, a unique commitment*



Our mission is to provide health and wellness plans, programs and services on a viable, not-for-profit basis for the financial protection and well-being of our communities.



As a best practices organization, Alberta Blue Cross is ranked as one of Alberta's Top 65 employers.

The Alberta's Top 65 Employers designation recognizes Alberta employers that lead their industries in offering exceptional places to work. Employers are compared to other organizations in their field to determine which ones offer the most progressive and forward-thinking programs.



Alberta Blue Cross is ranked as one of Alberta's Top 10 Most Loved Brands by Ipsos.

The Ipsos study that determines the rankings asks over 1,000 consumers across Alberta to rate companies they have strong ties with. It ranks 55 Alberta-based brands and scores each brand based on respondent ratings for personal relevance and 'brand closeness', as well as a number of other brand dimensions.

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## Corporate address

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Imagine if there was an independent, not-for-profit organization whose sole purpose for existence was to serve the health needs of Albertans.

There is—and our name is Alberta Blue Cross.

At Alberta Blue Cross, we have a unique legislative mandate and commitment: to support and promote the health and wellness of Albertans.

Through this mandate and focus, Alberta Blue Cross is uniquely qualified to administer government health programs. Not only does our not-for-profit delivery model with no shareholders or distribution of surplus earnings closely align with government and public expectations, but all government programs are administered on a strict cost-recovery basis. At the same time, Alberta Blue Cross is a very operationally lean organization with 95 per cent of overall revenue paid out in claims. We are a highly trusted organization, ranked by Ipsos as one of Alberta's Top 10 Most Loved Brands. As one of Alberta's Top 40 Corporations, we make a significant economic contribution to our province—flowing billions of dollars through the Alberta economy each year. We have a proven record designing, implementing and administering cost-managed programs that deliver efficiency without compromising quality. We are committed to a flexible approach to be able to assume new programs and approaches in support of our evolving provincial health care system, and in support of the Alberta government's commitment to sustainability.

As Alberta Blue Cross continues to evolve, we have moved well beyond our beginnings as a benefit administrator and are embracing our commitment to the health of Albertans like never before. This includes finding new ways to support the 5,000 plus employers who entrust their group benefit plans to Alberta Blue Cross, such as championing workplace wellness initiatives to promote the health of Albertans in the

workplace. It includes delivering increasingly diverse plan options for individual Albertans and their families to ensure that working Albertans who don't have employer-sponsored plans have affordable coverage options. It includes promoting wellness and active living at a community level through involvements such as our Healthy Communities Grant Program, through which we've committed \$1 million over five years to support community-based active living projects. It includes expanding our partnerships with other health care stakeholders ranging from Alberta Health Services, the Arthritis Society and Canadian Mental Health Association to the MS Society, STARS and Wellness Alberta. And it includes evolving our organization for the future with expanded systems capabilities and a 10-year strategic vision that positions Alberta Blue Cross for lifelong relationships with our customers.

At Alberta Blue Cross, we are excited about the future of our province and our organization's continued role within it. We are well-positioned for continued growth, and are genuinely committed to continuing to honour our legislative mandate to support and promote the health and wellness of Albertans.

Ray Pisani  
President and  
Chief Executive Officer

Robert Carwell  
Chair, Board of Directors



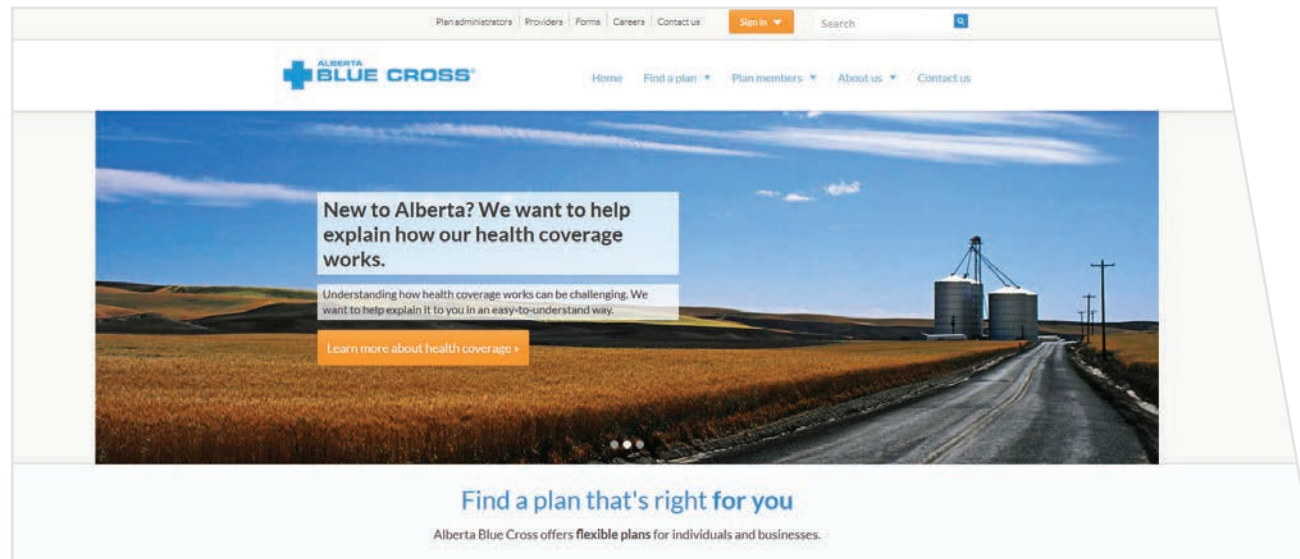
## Advancing technology, enhancing service

### Delivering a great member experience

As Albertans spend more time online, Alberta Blue Cross now receives upwards of 150,000 visits per month to our web site—which includes an array of secure online self-service features for plan members. In the interest of continuing to enhance our member experience, in June 2014 we launched a redesigned public web site as well as a mobilized version of our secure web site for plan members. The new sites reinforce our commitment to providing excellent service through whatever mediums our customers choose to interact with us.

### Enhancing our online services for providers

On an annual basis, we survey health service providers about their experience with our online services web site. In February, we responded to feedback from providers by enhancing the site to better meet their needs. Enhancements to the site include a self-serve cancellation option, a streamlined login process and an online claim submission extension from 30 to 60 days.



### Offering an online application option

In April, Alberta Blue Cross launched a secure application site that makes it easier for customers to apply for an individual health plan. Instead of waiting to receive an application package by mail, completing it by hand and

returning it to us, customers can now apply for coverage in a secure, online, paperless environment—helping us get them the coverage they need faster.



### Delivering excellent customer service

Our Customer Services department handles approximately 600,000 calls per year, plus email and walk-in traffic. While the focus of the department is operational, the value of the department's role is strategic as it manages the frontline relationships with our customers and delivers on one of our core competencies.

In the interest of identifying further opportunities to evolve our customer service, in March 2014 we undertook a customer services satisfaction survey through industry-leading analytics group SQM. SQM benchmarks more than 450 leading international call centres around the globe including many of our competitors as well as many of the Blue Cross Blue Shield plans in the U.S. The survey examined seven key performance indicators including first call resolution, calls resolved and call centre satisfaction.

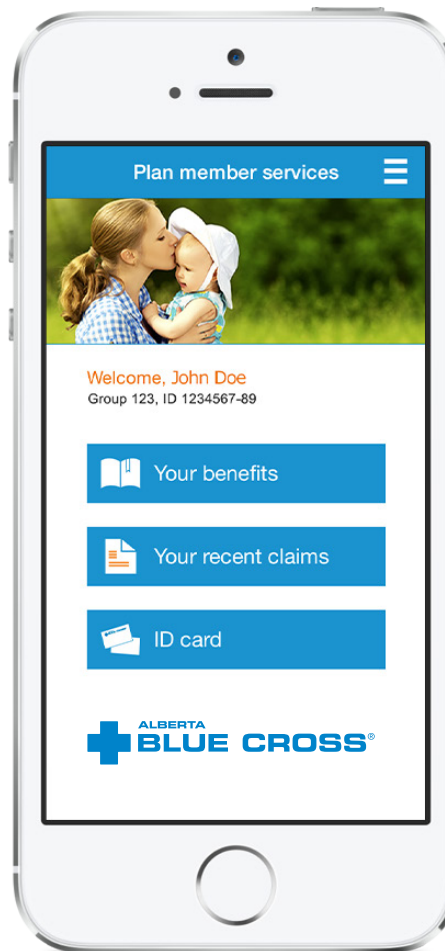
We were extremely pleased to achieve what SQM called “stellar world class” results, with our highest numbers in the range of 94 per cent. As we consider excellent customer service a core competency of our organization and as our service consistently ranks as a strength in our corporate reputation studies, we are pleased to have this study further affirm our high level of competency in this key area.

## Expanding online claims capability

In addition to submitting health, spending account, vision and drug claims online, plan members can now also submit their dental claims and orthodontic installments online through our member web site. This capability complements our industry-leading level of direct-billing, with over 92 per cent of claims submitted directly to Alberta Blue Cross by providers at the time of service.

## Introducing the Alberta Blue Cross mobile app

To give plan members more choice in how they manage their claims and benefits, in December we introduced an easy-to-use mobile application. The app allows members to check if a claim has been received and processed and find out important benefit information such as plan rules, next eligibility for products or services and benefits used to date. The app also allows members to review their spending account credit balance, arrange for off-line access to their ID cards and view emergency contact information and claiming tips when travelling out of province. Members can download the app from the Apple Store or Google Play store.



## Leading the industry in dental claims technology

In November, Alberta Blue Cross became the first benefits carrier in Canada to implement the Canadian Dental Association's CDAnet version 4.1 claim standard software in conjunction with internet-based direct billing.

This new standard in software enhances the plan member experience by delivering immediate coordination of benefits—while allowing dental providers to send attachments such as oral digital images and treatment plans. The new functionality also gives plan sponsors a greater ability to customize dental plans. Combined with internet-based direct billing, which provides dental offices with faster processing, the new software provides a more efficient claiming experience and improves the level of service we are able to offer dental providers, plan members and plan sponsors.

*Alberta Blue Cross receives upwards of 150,000 web site visits per month.*



## Evolving to meet changing needs

### Developing a new administration system

2014 was an extremely busy year for Alberta Blue Cross as we finalized preparations for implementation of our new administration system. The new administration system positions us to manage the increasing complexity of the benefit plans we administer for our customers while improving efficiency for various administrative tasks from enrolling members to handling customer payments. To prepare for the transition, we undertook extensive communication with various groups who would be affected by the change and ramped up our resourcing across the organization to ensure we were available to serve our customers and respond to inquiries.

### Partnering with Alberta Health

In 2014, Alberta Blue Cross enhanced the clinical support provided to the Alberta Health Expert Committee on Drug Evaluation and Therapeutics, the advisory committee to the Minister of Health on matters relating to the government-sponsored drug programs. The Scientific and Research Services department at Alberta Blue Cross completes clinical and economic reviews of drug product submissions being considered for addition to the *Alberta Drug Benefit List (ADBL)*. This service was enhanced to include a review of Requests for Advice from Alberta Health pertaining to products they wish to add to the *ADBL* via product listing agreements. We are excited about our evolving partnership with Alberta Health and this new opportunity to share our expertise in the area of clinical drug research.

### Enhancing service for out-of-province plan members

Alberta Blue Cross administers more than 5,000 employer group benefit plans for businesses across the province ranging in size from two employees to tens of thousands. A number of these groups have employees who reside outside the province. To better serve our group clients and out-of-province plan members, we worked with major Canadian pharmacy chains to register their out-of-province locations and facilitate direct bill claims at locations previously without access. Increasing Alberta Blue Cross direct bill access across Canada allows us to enhance the level of service we provide both our group clients and our plan members living or travelling outside of Alberta.

### New options for existing plan members

To ensure all Alberta Blue Cross plan members have equal access to our products, in 2014 we invited our Personal Choice plan members to transfer to our new Blue Choice line of individual health plans. Personal Choice plan members received information about the new benefits available through Blue Choice, as well as the higher maximums available for dental, vision and accidental death benefits. Personal Choice plan members were given the information needed to transfer to a Blue Choice plan if it better suited their needs.



### Introducing a new Pharmacy Agreement

Following discussions in 2013 and early 2014, Alberta Blue Cross, Alberta Health and the Alberta Pharmacists' Association reached an important agreement that supports pharmacists working to their full scope of practice in Alberta's health care system. The agreement, called the Alberta Blue Cross Pharmaceutical Services Provider Agreement, came into effect April 1, 2014, and replaced the existing Alberta Blue Cross Pharmacy Agreement. The agreement includes four years of predictable funding, changes to dispensing fees and updated compensation for the services pharmacists provide to Albertans. Although the agreement has changed, it retains key features including the "best price clause," maximum drug pricing and dispensing fees and right-to-audit provisions. Through the Compensation Plan for Pharmacy Services, it also provides additional compensation to pharmacies for smoking cessation counselling and medication management for Albertans with diabetes.

The new agreement reaffirms the key role that Alberta Blue Cross plays as Alberta's largest benefits carrier and allows us to meet both the needs of our customers and the interests of the pharmacy community.



## The Alberta Blue Cross spirit

The Alberta Blue Cross Spirit Awards acknowledge employees who go above and beyond in fostering our corporate culture and supporting our community involvements as ambassadors of our organization.

Award recipients for 2014 were **Sherry Kilborn** of Individual Products Administration and **Shaun Kozun** of ASR Life Data Verification.

## One of Alberta's "Most Loved Brands"

In May 2014, Canadian marketing research firm Ipsos and *Alberta Venture* magazine announced the results of a new survey to identify Alberta's Top 10 Most Loved Brands.

Alberta Blue Cross is honoured to be included in this ranking.

The study asked over 1,000 consumers across the province to rate a variety of companies they have strong ties with. It ranked 55 Alberta-based brands and scored each brand based on respondent ratings for personal relevance and 'brand closeness.' The study also examined eight key dimensions linked to how consumers interact with and actually love brands including contribution to Alberta, engagement, innovation, presence, relevance, social responsibility, trust and uniqueness.

This ranking comes as a validation of our organization's commitment to earning and maintaining the trust and confidence of Albertans; providing our customers with unparalleled products, service and value; and making a genuine contribution to the communities we serve.







## Fostering healthy communities



Staying true to our unique legislative mandate, we not only strive to improve the health and wellness of our 1.6 million customers, but we are committed to improving the quality of life for all Albertans. As a not-for-profit organization, we are grateful for the opportunity to lead and support a variety of important health and wellness initiatives across Alberta.

### Healthy community grants

Fulfilling our commitment to fostering wellness for all Albertans, we introduced the Healthy Communities Grant Program in 2013—committing \$1 million over five years to support and promote active living in communities across Alberta. With the intent to provide support for a variety of projects and to fairly distribute funds across the province, the following projects were each selected to receive a \$50,000 grant in 2014:

*Edmonton: Crestwood Community League Building Society.*

The funding will help build a new playground as part of the community's redevelopment project. The playground is phase one of the project that has an end goal of creating an urban public park space that meets the needs of the community and is easily maintained for continued enjoyment.

*Calgary: Friends of Fish Creek Provincial Park.*

The grant will fund a volunteer-built and managed mountain bike skills park that will offer a safe place for adults and youth to enjoy recreational cycling. The park will be the only amenity of its kind in the Calgary area.

*Secondary cities: Camrose Primary Care Network.*

The grant will help fund the construction of a new outdoor community gym located in Jubilee Park. The gym will complement the park's walking paths and playground and provide a low-cost physical activity alternative to existing sport and recreation facilities in Camrose.

*Rural communities: Fort Vermilion Recreation Board.*

The funding will support the creation of a new skate park located behind the Community Cultural Complex and adjacent to a splash park, playground and baseball diamonds. The skate park will be located close to the junior/senior high school to allow youth to enjoy the facility during lunch breaks.

### Winter Walk Day 2014

On February 5, Alberta Blue Cross was pleased to sponsor and participate in a province-wide annual initiative to get Albertans up and moving during the winter months—Winter Walk Day. On this day, all Albertans are encouraged to walk at least 15 minutes outside. Winter Walk Day celebrates our Alberta winter while promoting the year-round health benefits of walking. In 2014, 145,000 Albertans walked over 2.2 million minutes in conjunction with this event. We also hosted a noon-hour walk for our employees, in which more than 400 employees participated despite frigid -20 Celsius temperatures. Several of our branch offices also held their own employee walks.



## Investing in the future of Albertans

2014 was another successful year for the ABC Benefits Corporation Foundation's scholarship program. We increased the amounts of each of the 63 scholarships we award by \$250 in response to the increasing cost of post-secondary education. This took our annual scholarship disbursement to \$76,750—which has been very well received by post-secondary institutions across the province.

While most scholarship recipients are chosen by the respective post-secondary institution, we administer the selection process for the Aboriginal scholarships directly in consultation with an external three-member selection committee. This year, two outstanding candidates were selected to receive these awards, both of whom are coincidentally from the same home town and attending the same post-secondary institution. Marshall Vielle is from Standoff and is studying Education at the University of Lethbridge and Truman Big Swallow is pursuing a BA in science.

## Supporting province-wide health and wellness projects and initiatives

Through direct contributions of time and expertise—and financial support from the ABC Benefits Corporation Foundation—Alberta Blue Cross supported a range of initiatives in 2014 to improve and promote the health of all Albertans.

In early 2014, we announced our commitment to support the Alberta Wellness Foundation initiative—a campaign to improve the health of Albertans and reduce the burden of chronic disease and disability on families, communities and our health care system.

We renewed our partnership with Alberta Health Services by sponsoring the publication of its *Apple* health magazine, which sees 120,000 copies distributed quarterly across the province and through all Alberta Health Services facilities.

We sponsored the Conference Board of Canada's 2014 Better Workplaces Conference held in Calgary. Some of the topics discussed at the conference were resiliency and mental health, and delivering high engagement and performance through increased wellness.

Through the ABC Benefits Corporation Foundation, we continue to support a number of health-related initiatives across the province. We were a sponsor of the University of Alberta Hospital Foundation's Festival of Trees, the Calgary Health Trust's Funny Bone fundraiser event and a series of community forums held by the Arthritis Society on living with arthritis pain.

For 2014, we were pleased to be a sponsor of Alberta Health Services' new "Apple Talks" series—14 community seminars held across the province addressing a number of health-related topics ranging from parenting and addictions to seniors' health.

We sponsored the 2014 Grey Matters Conference in Red Deer, which offers senior services providers across the province opportunities to network, gain knowledge and increase their awareness of issues, supports and services for Alberta seniors.

We continued our commitment to supporting STARS air ambulance through our ongoing Fund a Flight sponsorship. In 2014 alone, STARS flew 1,600 missions across Alberta.

We maintained our involvement in the Finding Balance campaign, created by the Alberta Centre for Injury Control and Research and the Alberta Medical Association, to promote seniors' fall prevention across Alberta.

We also sponsored the annual Alberta MS Connections Conference, which brings together health professionals, researchers and people affected by Multiple Sclerosis to discuss and learn more about the important initiatives happening in Alberta to enhance the quality of life of people living with MS.







## Championing workplace wellness

Alberta Blue Cross practices a holistic approach to fostering a healthy workplace, providing an environment that encourages employee work-life balance and promotes healthy lifestyle choices. As the benefits carrier of choice for more than 5,000 Alberta-based employers and a four time recipient of the Premier's Award of Distinction for Healthy Workplaces, we also strive to be a leader in the area of workplace wellness by promoting and supporting employee health and wellness across Alberta.

### Workplace Wellness Summit

Alberta Blue Cross was pleased to be the title sponsor of the 2014 Alberta Workplace Wellness Summit and Premier's Awards for Healthy Workplaces held in Red Deer. One hundred and forty delegates from across the province attended this event, which featured a keynote address by the lead author of the Canadian Mental Health Commission's Psychological Health and Safety Standard for workplaces.

At the event, Alberta Blue Cross was proud to receive a special Wellness Leadership Award in recognition of our role in promoting workplace wellness in Alberta. In presenting this award to Alberta Blue Cross, Alberta's chief medical officer of health, Dr. James Talbot, referenced our [www.workplacewellnessonline.ca](http://www.workplacewellnessonline.ca) web site resource, our LinkedIn workplace wellness discussion forum, our community-based initiatives and our continued collaboration with the Government of Alberta to further an agenda of workplace wellness across the province.



### Canadian Mental Health Association's Bottom Line 2014

Alberta Blue Cross sponsored the Canadian Mental Health Association's Bottom Line 2014 workplace mental health conference held in Calgary. The conference provides training and strategies to help better recognize, address and resolve mental health issues in the workplace and is attended by senior business leaders, human resources professionals, managers, occupational health and safety advisors and wellness experts.

### Workplace wellness online

Since we introduced our online resource, [www.workplacewellnessonline.ca](http://www.workplacewellnessonline.ca), to provide information and support to Alberta employers looking to improve wellness in the workplace, the site has been highlighted in a number of national publications and received hundreds of visits. Throughout 2014, we made several important updates to the site including adding an upcoming events listing, new best practices profiles and a number of new resources provided by Alberta Health Services. The resources section has also been reorganized to improve site navigation.

### Recognized as one of Alberta's Top 65 employers

In recognition of our commitment to fostering a healthy workplace, Alberta Blue Cross was named one of Alberta's Top Employers for the eighth year in a row.

The Alberta's Top 65 Employers designation recognizes Alberta employers that lead their industries in offering exceptional places to work. Employers are compared to other organizations in their field to determine which ones offer the most progressive and forward-thinking programs.



## A culture of giving back

At Alberta Blue Cross, we often say “we live in the communities we serve, and we serve in the communities where we live.” Whether it’s through our employee-led charity or our many other community-oriented initiatives, giving back is an integral part of who we are.

### Supporting community-based organizations across Alberta

#### *United Way annual fundraising campaign*

Alberta Blue Cross has been an active supporter of the United Way since 1980. Our staff continues to work hard each year to raise much-needed funds for the organization, and our donation matching program helps make an even bigger difference in our community. In 2014, Alberta Blue Cross took home the Employee Campaign Chair of the Year award for the exceptional work of our employee chair and entire committee. 2014 was our most successful campaign yet, raising more than \$157,000 to support United Way-funded agencies across Alberta.

#### *Partners for Life*

A long-time supporter of Canadian Blood Services, we formalized our commitment in 2012 by joining the Partners for Life program. Throughout 2014, our employees exceeded our annual goal by donating 240 times. Alberta Blue Cross encourages employees to donate regularly by organizing convenient noon-hour shuttles and holding a pizza party for employees who donate four or more times per year.



#### *Casual for a Cause days*

In exchange for an opportunity to dress casually once a month, our employees have raised hundreds of thousands of dollars for Alberta charities over the past 16 years. In 2014 alone, our employee donations, which are corporately matched dollar-for-dollar, raised \$32,000 for local charities including the Ronald McDonald House, Little Warriors, Christmas Bureau of Edmonton and many more.

#### *Heart and Stroke Foundation*

Thirty-four employees hit the streets on the Big Bike in support of the Heart and Stroke Foundation. The team raised \$17,500 for the foundation in 2014—almost \$2,000 more than the year before.

#### *Stollery Children's Hospital Foundation*

In September, our Alberta Blue Cross employee team participated in the 2014 Row For Kids event in support of the Stollery Children's Hospital Foundation. The team accomplished an outstanding fundraising total of \$13,175 toward a total of \$180,000 raised for the Stollery.

The **Children's Wish Foundation of Canada** arranges wish trips for terminally ill children and their families in Alberta and across the country. For these trips, Alberta Blue Cross provides premium-free travel coverage thanks to an initiative shared by all the Blue Cross Plans across Canada. In 2014, Alberta Blue Cross provided coverage for 50 wish trips to a variety of destinations across the world.

## Making a difference through Hearts of Blue

One of the key ways we give back to our community is through our employee-led charity, Hearts of Blue.

Hearts of Blue is funded by employee donations as well as corporate funding and resources. Through Hearts of Blue, we support dozens of lower-profile community-based charitable organizations across Alberta.

In 2014, Hearts of Blue donations totalling more than \$35,000 were made to charities like Angel Whispers, EmployAbilities, Adopt-A-Teen, Red Deer's Central Alberta Women's Emergency Shelter, Grande Prairie's Suicide Prevention Resource Centre and many more.

Not only does Hearts of Blue donate money, food, clothing and other valuable necessities to Alberta charities, we also organize a variety of volunteer activities for Alberta Blue Cross employees. Each Christmas, for example, Hearts of Blue volunteers wrap presents for the Sacred Heart Church kids' Christmas party and four

times per year, 25 employees volunteer their time to serve a meal sponsored by Alberta Blue Cross at the Operation Friendship Seniors Society.

In addition, Hearts of Blue organizes Days of Giving events, which allow staff to volunteer their time during the work day. During our 2014 Days of Giving, our employees laid sod at a Habitat for Humanity build, helped the Terra Centre host a baby shower for young mothers and sorted food at the Edmonton Food Bank.











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[www.ab.bluecross.ca](http://www.ab.bluecross.ca)

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 1.6 million Albertans with coverage through over 5,000 small and large employer group plans, individual plans and government-sponsored programs.

In 2014, Alberta Blue Cross processed over 49.1 million claim lines with a value exceeding \$2.15 billion.

We maintain a high-tech yet high-touch approach—aggressively adopting technology to deliver highly efficient service, but still maintaining a strong commitment to personalized and excellent customer service.

