The overwhelming majority of Alberta Blue Cross customers, health service providers and suppliers are honest and ethical in their dealings with Alberta Blue Cross. As a result, health care fraud and benefit plan abuse is rare. Unfortunately, however, it sometimes does occur.

Fraud and plan abuse causes benefit plan costs to rise, which means higher plan premiums for consumers—and for group benefit sponsors like you. Every dollar of fraud or plan abuse must ultimately be paid by individual plan participants and plan sponsors.

At Alberta Blue Cross, we believe every dollar of health care fraud and plan abuse is a dollar too much. For this reason, Alberta Blue Cross has a policy of zero tolerance towards any fraudulent abuse of the benefit plans we administer on behalf of our customers.

Plan participants and health care service providers are often the first line of defense in battling health care fraud. Plan participants, plan sponsors and health care service providers all play an important role in helping to combat suspected fraud and plan abuse.

By being smart consumers of health care services, Alberta Blue Cross plan participants can protect themselves against health care fraud, help reduce health care fraud, and protect the viability of their Alberta Blue Cross benefit plans.

To educate plan participants about identifying health care fraud and plan abuse and help them avoid becoming victims of health care fraud, Alberta Blue Cross has published a new brochure Your role in the detection and prevention of health care fraud and benefit plan abuse. A copy of this brochure is included with this issue of the Connection Bulletin for your reference. This brochure is available from Alberta Blue Cross, and is also available as a PDF on our web site.

Alberta Blue Cross has also introduced a new toll-free fraud hotline and e-mail contact address to facilitate the reporting of any suspected or potential fraud or plan abuse, or any improprieties which may include fraudulent activity. All information provided through the hotline and e-mail address is kept strictly confidential. Suspicions of fraudulent activity may also be reported anonymously.

We encourage you to inform your plan participants about Alberta Blue Cross’s zero tolerance policy toward any fraudulent abuse of the benefit plans we administer on behalf of our customers, and to educate them about their role in the detection and prevention of health care fraud and benefit plan abuse.

For more information on this topic or to order copies of the fraud and plan abuse brochure for your plan participants, please contact your Alberta Blue Cross group representative.
Direct, personalized service—across the province

Alberta Blue Cross offers group benefit plans to meet the diverse needs of Alberta-based employers, from two employees to thousands. Our group customers know that providing employee benefits plays a more significant role today in attracting and retaining employees. Last year, the number of Alberta Blue Cross employer group customers climbed to more than 4,700. We also had significant growth in Health Spending Accounts—for both long-standing and new customers.

Alberta Blue Cross employer group customers are served primarily by sales and service representatives through our Edmonton head office and six regional sales offices in Calgary, Red Deer, Medicine Hat, Lethbridge, Grande Prairie and Fort McMurray. A hallmark of Alberta Blue Cross service is our approach: personal, direct contact with our customers through on-site visits and phone calls.

Like most regions of the province, our Red Deer office has been a hub of activity over the past year. “We saw tremendous growth in our small group market in central Alberta,” says Daryl Teron, Red Deer senior group representative. “Many of our new groups were in the manufacturing, oilfield servicing and supply and construction sectors.”

In addition to new customers, Daryl and his Red Deer office colleagues continued to provide personal service to hundreds of existing customers—many making changes to their benefit plans in response to the Alberta economy. One such company, Abacus Datagraphics, specializes in up-to-date mapping of the many surface and underground features related to oil and gas facilities. With customers all over the province, the 15-year-old firm with 95 employees maintains the Oilfield Atlas of Alberta and AbaData®, an on-line mapping program. The company also has several experienced field crews who specialize in mapping areas where little information is available.

For Abacus Datagraphics, 2006 was a good year for business. “We hired more people to ensure those we already had were able to have balance in their lives,” says Noreen Selvais, vice-president responsible for staffing and benefits. “It has always been our philosophy to treat our employees well.” That includes comprehensive health and dental coverage, which they enhanced in 2006 with additional dental benefits.

Abacus Datagraphics has high praise for the service they receive from Alberta Blue Cross. “We switched to Alberta Blue Cross ten years ago so we could deal directly with the local office in Red Deer,” says Noreen. “Daryl and Jeannette are fantastic. Our phone calls are answered promptly and the service we receive is great.”

We remain committed to providing direct, personalized and quality service to all our valued group customers across the province.
Controlling rising drug costs

Prescription drugs continue to be the most widely used—and costly—benefit provided through Alberta Blue Cross employer group benefit plans.

In 2006, Alberta Blue Cross paid for over 18.3 million prescriptions on behalf of our group, government and individual customers, which represents more than 57 per cent of the total prescriptions dispensed in Alberta. The total value of these prescriptions exceeded $1 billion.

Prescription drug coverage provides your employees with both useful everyday benefits as well as valuable protection against future medical conditions. This helps keep your employees healthy—and at work.

But with drug costs continuing to rise, prescription drug coverage is a benefit that must be managed closely if it is to remain viable for your group benefit plan. Alberta Blue Cross is committed to working with you to control your plan costs, in the interest of ensuring the long-term viability of your Alberta Blue Cross group benefit plan. We encourage you to visit the Group Administrators’ section of the Alberta Blue Cross web site at www.ab.bluecross.ca/gp_control_costs.htm to learn more about what Alberta Blue Cross is doing to protect the viability of your drug benefits, and for tips and strategies to help you control your own plan costs.

Top drugs for 2006

For your information, here is a listing of the products most prescribed in 2006 and a listing of those products that carried the highest cost to group benefit plans. These listings are based on a representative sample of our group book of business, profiling the claims experience of the largest employer groups with direct-bill drug benefit plans across the province.

**TOP 12 DRUGS (BASED ON AMOUNT PAID)**

1. PANTOLOC 40 MG ENTERIC-COATED TABLET
2. LIPITOR 10 MG TABLET
3. BLOOD GLUCOSE TEST STRIPS
4. EFFEXOR XR 75 MG EXTENDED-RELEASE CAPSULE
5. PREVACID 30 MG SUSTAINED RELEASE CAPSULE
6. LIPITOR 20 MG TABLET
7. EFFEXOR XR 150 MG EXTENDED-RELEASE CAPSULE
8. LOSEC 20 MG SUSTAINED RELEASE TABLET
9. REMICADE 100 MG/VIAL INJECTION
10. NEXIUM 40 MG SUSTAINED RELEASE TABLET
11. COPAXONE 20 MG/ML INJECTION SYRINGE
12. ALTACE 10 MG CAPSULE

**TOP 12 DRUGS (BASED ON NUMBER OF SCRIPTS)**

1. COMPOUND PRESCRIPTION
2. TYLENOL NO. 3 WITH CODEINE TABLET
3. RATIO-SALBUTAMOL HFA 100 MCG/DOSE METERED DOSE AEROSOL
4. BLOOD GLUCOSE TEST STRIPS
5. EFFEXOR XR 75 MG EXTENDED-RELEASE CAPSULE
6. LIPITOR 10 MG TABLET
7. PANTOLOC 40 MG ENTERIC-COATED TABLET
8. PREVACID 30 MG SUSTAINED RELEASE CAPSULE
9. EFFEXOR XR 150 MG EXTENDED-RELEASE CAPSULE
10. APO-AMOXI 500 MG CAPSULE
11. LIPITOR 20 MG TABLET
12. NASONEX 50 MCG/DOSE AQUEOUS NASAL SPRAY
Overview of the Top Drugs

- **COPAXONE 20 MG/ML INJECTION SYRINGE**
  Used in the treatment of relapsing-remitting multiple sclerosis.

- **APO-AMOXI 500 MG CAPSULE**
  An antibiotic used in the treatment of several different bacterial infections. It may also be used for the prevention of bacterial infections prior to certain dental or surgical procedures in patients who may be at risk. There are a number of manufacturers of this product.

- **ALTACE 10 MG CAPSULE**
  Used in the treatment of high blood pressure and to decrease the occurrence of heart attacks and stroke in patients at high risk.

- **BLOOD GLUCOSE TEST STRIP**
  A chemically treated strip to which a drop of blood is applied. It is used in blood glucose monitoring with a special device to test the sugar level.

- **COMPOUND PRESCRIPTIONS**
  Compounds are mixtures of ingredients prepared by pharmacists. Dermatologists often order compounds, such as creams, ointments or lotions, to meet the specific needs of an individual patient.

- **EFFEXOR XR 75 MG EXTENDED RELEASE/ 150 MG EXTENDED RELEASE CAPSULE**
  An antidepressant indicated for both depression and anxiety disorders.

- **ENBREL 25 MG/VIAL INJECTION**
  An injection used to treat certain joint conditions (rheumatoid arthritis, juvenile rheumatoid arthritis, psoriatic arthritis, and ankylosing spondylitis) and skin conditions (psoriasis).

- **LIPITOR 10 MG/ 20 MG ORAL TABLETS**
  Used in the treatment of high cholesterol and lipid levels.

- **LOSEC 20 MG SUSTAINED RELEASE TABLET**
  Used to treat ulcers and reflux esophagitis. Sometimes Losec is used in combination with antibiotics to treat ulcers associated with infection caused by the H. pylori bacteria (germ).

- **NASONEX 50 MCG/DOSE AQUEOUS NASAL SPRAY**
  Used to treat the symptoms of allergies, specifically the runny nose that accompanies this condition. It may also be used along with antibiotics for sinus infections.

- **NEXIUM 40 MG SUSTAINED RELEASE TABLET**
  Used to treat ulcers and reflux esophagitis. Sometimes Nexium is used in combination with antibiotics to treat ulcers associated with infection caused by the H. pylori bacteria (germ).

- **PANTOLOC 40 MG ENTERIC-COATED TABLET**
  Used to treat ulcers and reflux esophagitis. Sometime Pantoloc is used in combination with antibiotics to treat ulcers associated with infection caused by the H. pylori bacteria (germ).

- **PREVACID 30 MG SUSTAINED RELEASE CAPSULE**
  Used to treat ulcers and reflux esophagitis. Sometime Prevacid is used in combination with antibiotics to treat ulcers associated with infection caused by the H. pylori bacteria (germ).

- **RATIO-SALBUTAMOL HFA 100 MCG/DOSE METERED DOSE AEROSOL**
  Bronchodilator used in the treatment of asthma. There are a number of manufacturers of this product. Generic alternatives account for a large portion of utilization.

- **REMICADE 100 MG/VIAL INJECTION**
  An injection used to treat certain joint conditions (rheumatoid arthritis and ankylosing spondylitis), and inflammatory bowel disease (ulcerative colitis and Crohn’s disease).

- **TYLENOL NO.3 WITH CODEINE TABLET**
  For the relief of pain in a wide variety of conditions. Also used to reduce fever due to colds, flu or other bacterial infections. There are a number of products available with the same ingredients. In the competitive market place, pricing of the “brand name” product is comparable to other alternatives.

Extending group coverage to temporary foreign workers

Given the current economic climate in Alberta, some employers have been hiring foreign workers on a temporary contract basis to fill labour shortages. As you may know, there are government requirements for both the employer and the foreign employee to satisfy before a temporary residency status and work visa is granted. Foreign workers may qualify for health and dental benefits through your Alberta Blue Cross group benefit plan. In order for coverage to be provided, a temporary foreign worker must have been granted temporary residency status by the appropriate government authority and must be enrolled in the Alberta Health Care Insurance Plan with a valid AHC number. Dependents of temporary foreign workers may also be eligible for health and dental benefits as long as they also have active Alberta Health Care coverage. Temporary foreign workers cannot be covered as a standalone plan, and must be included as a section of the group.

Unfortunately, temporary foreign workers are not eligible for Life and Disability coverage, as permanent residency is a contractual prerequisite for such coverage. Temporary foreign workers are also not eligible for Alberta Blue Cross travel coverage in consideration of the complexities surrounding the administration of such coverage.

Please contact your Alberta Blue Cross group representative if you would like more information regarding this topic.
Enhanced dental claim statements in development

Alberta Blue Cross will soon be issuing new dental statements to plan members in a new enhanced format. We have received positive feedback regarding the features of the new Health Spending Account statement sent out recently, which includes a claims summary at the top of the statement, consolidation of key contact and reference information, cleaner presentation of claims data and clear explanations. To minimize paper waste, statements are also printed on both sides of a legal-sized sheet.

We are now working on the production of similar statements for dental benefits. We will inform plan administrators in advance before we begin to issue these new statements, and will provide communications materials to assist in answering potential inquiries from your employees. This initiative is clearly delivering additional value for plan members and we look forward to expanding this to all our group customers who sponsor dental coverage. As always, your comments will be most welcome!

Consider the benefit of a Health Spending Account (HSA) for your employees

Offering an Alberta Blue Cross Health Spending Account to your employees not only helps maintain a healthy, productive workforce, but gives you an edge for attracting and retaining quality employees in the increasingly competitive Alberta labour market. HSAs have become an important component of many groups’ overall benefit programs. Employers allocate a portion of an employee’s total compensation into an account that employees can use to pay for eligible medical and dental expenses not covered under the group or provincial health insurance plan. These expenses are non-taxable to the employee. For more information about HSAs visit our web site at www.ab.bluecross.ca or contact your Alberta Blue Cross group sales representative.
Including Alberta Health Care numbers on applications

If you have a new employee who you are adding to your group benefit plan but you do not have their Alberta Health Care number, you can still submit an application for coverage on their behalf and provide us the Alberta Health Care number at a later date.

Although being a resident of Canada and eligible for benefits under the provincial government health care program in the province of residence are prerequisites to be eligible for coverage (as stipulated through standard Alberta Blue Cross group contracts), as long as the employee is eligible for such coverage the application may be submitted to Alberta Blue Cross. The employee’s Alberta Health Care number should then be submitted to Alberta Blue Cross as soon as it is available.

Delays in submitting applications for new employees may otherwise result in late applicants and delayed eligibility for coverage.

We value your feedback

The Connection Bulletin is published semi-annually to communicate with Alberta Blue Cross employer group plan sponsors on a variety of topics relating to your plan.

We appreciate your feedback regarding the Connection Bulletin, and welcome any comments you may have about the newsletter or suggestions of topics for upcoming issues. Please send your feedback via e-mail to connection@ab.bluecross.ca, by fax to (780) 498-8096, or via mail to Corporate Communications, Alberta Blue Cross, 10009-108 Street, Edmonton, AB T5J 3C5

Back issues of the Connection Bulletin may be found on the Alberta Blue Cross web site at www.ab.bluecross.ca/gp_grpadm.html.

Look for the next Connection Bulletin in winter 2008.

Employees with Alberta Blue Cross individual health plan coverage?

If your company has recently enrolled onto an Alberta Blue Cross health and dental group benefit plan, some of your employees may also have Alberta Blue Cross individual health plan coverage in place. This may also be the case in the event you hire a new employee who has individual coverage.

In such cases, your employees will want to review all their available options regarding their individual coverage.

The most preferred option for individuals who currently have an Alberta Blue Cross Personal Choice individual health and dental plan is the Portability option. The Portability Plan allows individuals to retain a scaled down version of their individual plan at a marginal cost and coordinate some benefits while covered by their employer-sponsored benefit program. Most importantly, this allows the individual to re-enrol back onto their original Personal Choice plan without having to qualify through medically review if they apply within thirty days of terminating from their employer-sponsored group plan.

If any of your employees have Alberta Blue Cross individual health plan coverage in place, please encourage them to contact the Alberta Blue Cross Individual Products department at 1-800-394-1965 as soon as you know they will be enrolled onto your employer sponsored group program. An Individual Products representative will walk them through all their available options as they pertain to their Alberta Blue Cross individual health plan.

For more information on these topics, please call your Alberta Blue Cross group sales or service representative.

www.ab.bluecross.ca

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