

Winter 2016

CONNECTION BULLETIN

News and information for group benefit plan administrators from Alberta Blue Cross



Alberta budget impacts group benefits

On October 27, 2015, the Alberta government released a budget that included an increase to the premium tax rate on all insured group benefit plans. Effective April 1, 2016, the Alberta Premium Tax rate will increase to three per cent, up from two per cent. This increase applies to all insured benefit plan arrangements.

Please note that this increase applies to all benefit plan providers that do business in Alberta.

Premium tax does not apply to Administrative Services Only plans, and the budget does not indicate extending the tax increase to these plans. Alberta Blue Cross remits Premium Tax to the Government of Alberta on an annual basis.

BALANCE™

Your life ▲ Your rewards

Balance: Your life. Your rewards.

In the coming weeks, Alberta Blue Cross will be launching Balance, our new wellness rewards program. This program will not only benefit your employees, it will benefit your business.

Balance is simple. Your employees sign in and earn points for doing tasks like completing a confidential health risk assessment, learning about health conditions and tracking healthy lifestyle habits. They can then redeem their points for a chance to win prizes like Fitbits, gift cards and weekend escape packages.

As an employer, you can support your employees by creating a healthier workplace. Balance is equipped with the Healthy Workplace Essentials Challenge, a turn-key program that can assist your company in reaching healthy workplace goals. As you complete the challenge, your employees will be rewarded with points. Alberta Blue Cross is proud to partner with Excellence Canada, the nation's authority on workplace wellness, to offer this exclusive challenge to our customers. You will be able to access the challenge through the plan administrator web site by clicking [Balance](#).

Please note that Balance is only available to Alberta Blue Cross 'insured' group benefit plans. Administrative Services Only groups will also have an opportunity to participate. We will be sending a special invitation to all eligible plan members in the mail.





A strong brand. An even stronger global alliance.



With increasing numbers of Albertans travelling and working outside the province, Alberta Blue Cross is pleased to announce that we now hold the exclusive licence for the Blue Shield mark in Alberta.

To our plan members, this means greater peace of mind when outside our province through our strengthened alliance with the global Blue Cross Blue Shield Plan network.

Over the next six months, you'll begin to see some changes as we start to incorporate the Blue Shield symbol in places such as member statements, cheques, new and replacement ID cards, brochures, advertising, newsletters, envelopes, forms, stationary and web sites.

Who we are and what we do isn't changing. Alberta Blue Cross remains the same independent, not-for-profit health benefit provider that is recognized and trusted as one of Alberta's Top 10 Most Loved Brands and one of Alberta's Most Respected Organizations.

Help your employees make the most of their benefits

Along with this issue of *Connection Bulletin* is the latest *For Your Benefit* newsletter, which is designed to help your group plan members make the most of their benefits. We encourage you to distribute *For Your Benefit*—which is also available as a PDF in the **plan administrator's section of our web site under "Resources"**—to your employees. We welcome your comments about *For Your Benefit* and topic suggestions for future issues. Please send your feedback to connectionbulletin@ab.bluecross.ca.





Managing your drug costs

In the last few years, plan sponsors have experienced significant savings as a result of a major reform to generic pricing in response to high drug costs. Those changes are estimated to have saved our plan sponsors roughly seven per cent on their plans at a time when fewer high-cost treatments were being introduced to market. This combination created a climate that some have called a “drug cost honeymoon”.

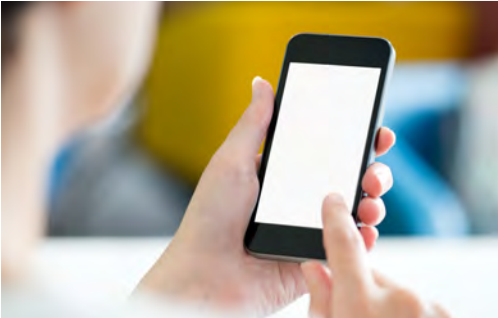
As we move into 2016, we anticipate increasing drug costs as a result of unprecedented progress in drug discovery and development. With this innovation, we are seeing a mix of new groundbreaking therapies, which come at a price. Some high profile examples include the following:

- Harvoni and Sovaldi for the treatment of chronic Hepatitis C. These drugs, when taken correctly, actually cure the disease, which was considered next to impossible just a few years ago.
- Repatha for the treatment of high cholesterol. This drug is a biologic that costs thousands of dollars per patient for a very common condition.

Alberta Blue Cross is committed to partnering with plan sponsors in an effort to maximize opportunities to manage drug plan costs, while continuing to support the health of your employees. As part of this commitment we continue to look for opportunities to build on new and existing approaches.

This new and evolving environment makes it even more important to maximize cost saving opportunities wherever possible including continuing to update our generic pricing program on an ongoing basis (for plans that have chosen the generic pricing program). As per our current approach, where the brand-name drug has a designated generic alternative, the plan will pay up to the cost of the generic. Where a plan member elects to purchase the brand name, the plan member will be responsible for the difference in cost. Early in the new year, we will be adding a few more drugs to this program.

As our current drug cost climate continues to evolve, we look forward to partnering with you to protect the sustainability of your plan and the health of your plan members going forward.



Submit a claim on the go

Alberta Blue Cross is making it even easier for plan members to access their benefits on the go. We recently enhanced our Alberta Blue Cross My Benefits app by adding a claims submission feature. You will be able to submit dental, vision, health and drug claims whenever and wherever you want. Download the app in the Apple Store or Google play.



New orthotic, surgical stocking and orthopedic footwear claim submission requirements coming March 1, 2016

Effective March 1, 2016, Alberta Blue Cross is revising its claim submission requirements for custom foot orthotics, surgical stockings and orthopedic footwear to ensure that only medically necessary products are covered under your plan.

In addition to submitting an Alberta Blue Cross claim form and a paid-in-full receipt, as of March 1, 2016, plan members must also be aware of the following when claiming for custom foot orthotics, orthopedic shoes or surgical stockings:

Custom foot orthotics

1. If your plan requires a Physician's Written Order, plan members must submit a **copy of a biomechanical assessment** completed by a physician, podiatrist, chiropractor or physiotherapist.
2. The foot orthotic must be dispensed by a podiatrist, chiropodist, physiotherapist, chiropractor, pedorthist or orthotist.
3. Plan members must submit a **fabrication form** completed by the orthotics provider.

Orthopedic shoes

1. If your plan requires a Physician's Written Order, plan members must submit a **copy of the original prescription** completed by a physician, podiatrist or chiropractor outlining the related medical diagnosis.
2. Orthopedic shoes must be dispensed by a podiatrist, pedorthist or orthotist.
3. Plan members must submit a **fabrication form** completed by the shoe provider.

Surgical stockings

1. If your plan requires a Physician's Written Order, plan members must submit a **copy of the original prescription** completed by a physician.
2. Surgical stockings must be dispensed by a licensed medical supplier.
3. Plan members must submit **written confirmation that the surgical stockings have a minimum pressure gradient of 30 mmhg.**

For the new fabrication form and a checklist of claiming requirements, please visit our web site at www.ab.bluecross.ca and click on [Plan administrators](#) at the top of the page and choose [Forms](#) on the left-hand side.

If you have questions about these changes, please contact your Alberta Blue Cross group sales or service representative.



Our approach to disability management

Alberta Blue Cross believes in the concept of early intervention and functional case management. With disability claims, early intervention starts before a claim ever occurs, ensuring treatment starts and continues throughout the duration of the claim. In coordination with medical practitioners and treatment providers, we are able to determine what needs to be done in order for the claimant to return to work safely and as soon as possible.

From a case management perspective, we adhere to the concept of functional case management, a systematic fact-finding and holistic approach that focuses on an individual's abilities and takes non-medical factors into account. Each claim we handle has a unique set of circumstances and our outcome-based strategies are geared to the specific needs of the individual. We set clear expectations with respect to benefit duration and any specific requirements under the policy. Under a functional case management approach, we align the clinical information with the functional demands of the job or occupation and apply case management strategies targeted towards work re-entry whenever possible. When benefits are deemed payable, we issue them in an efficient and timely manner.

Our philosophy and supporting practices are based on the principles of customer service and partnering with clients, which includes treating claimants with respect and dignity. We maintain active partnerships with employers and plan sponsors to assist them in addressing issues of absenteeism due to illnesses and injury. In order to be effective in this collective effort, we must understand the needs and objectives of our clients. We believe in a global approach to preventing absences and returning employees back to the workplace in a safe and sustainable manner.

If you don't have life or disability through your Alberta Blue Cross benefit plan, please contact your Alberta Blue Cross representative or plan advisor to discuss your options.



Payment rates for dental claims adjusted for 2016

As you are likely aware, the minister of health has announced a review of Alberta's extremely high dental costs. In the interest of providing sustainable dental benefit plans to our customers, Alberta Blue Cross welcomes this review and we have provided input directly to the Minister. We look forward to the outcome of this review in 2016.

In the interim, we need to ensure that the dental plans we administer continue to serve the interests of both our plan members and plan sponsors. As such, rates for the payment of dental claims for group benefit plans that reference the Alberta Blue Cross Dental Schedule and plans that pay according to Alberta Blue Cross Usual and Customary Dentals fee have been updated for 2016.

The Alberta Blue Cross Dental Schedule

The Alberta Blue Cross Dental Schedule provides a managed approach to controlling dental plan costs—which helps maintain the affordability of our plan members' benefit plans.

Increases are based on the results of an annual review of the rates contained in the current Dental Schedule, existing economic factors, other western provinces' dental association fee guides and feedback we have received from customers and dental providers across Alberta. This review ensures the Dental Schedule remains affordable and continues to meet the needs and interests of all interested parties.

Alberta Blue Cross Usual and Customary dental fees

Usual and Customary dental fees are based on recent claims data from actual marketplace billings of Alberta Blue Cross employer group dental plan participants by Alberta dental offices. These fees are calculated based on an analysis of more than 1,800 procedure codes available to Alberta dental providers.

Usual and Customary dental fees do not apply to our plan members whose plans reference the Alberta Blue Cross Dental Schedule or another basis of payment for dental claims.

Information sheets detailing the updated payment rates are available at www.ab.bluecross.ca. Simply click on [Plan administrator](#) at the top of the page, click on [Resources](#) then [Topic list](#) and scroll down to the "Benefit plan options" section and select either the [Alberta Blue Cross Dental Schedule](#) or [Usual and Customary Dental Fees](#).

Get the most out of your dental benefits

Our goal is to provide you with information that will help you get the most out of your dental benefits. Because there is no standard of billing for dental services in Alberta, dental offices across Alberta charge widely varying amounts for dental services. As a result, your employees may face out-of-pocket costs regardless of the basis of payment for your plan.

We encourage you and your employees to use our dental schedules to ensure that you receive the best value possible every time you visit a dental service provider.

Take part in Winter Walk Day 2016 —we're here to help!



On **Wednesday, February 3**, Alberta Blue Cross challenges you and your employees to bundle up, step outside and participate in Alberta Winter Walk Day 2016. This year, we want to help you make it happen.

We will be offering promotional materials along with prizes to give to employees to any organizations that are interested in planning their own Winter Walk Day event. All you need to do is email winterwalkday@ab.bluecross.ca before January 29, 2016 to let us know you are interested in taking part.

A province-wide initiative to get Albertans up and moving during the winter months, Winter Walk Day celebrates our Alberta winter while promoting the year-round health benefits of walking. On this day, all Albertans are encouraged to walk at least 15 minutes outside, then record the total minutes walked and register the number of minutes online at www.shapeab.com. In February 2015, more than 120,000 Albertans—including workplaces, schools, seniors centres, community groups, individuals and families—participated in Winter Walk Day.

Winter Walk Day is sponsored by Alberta Blue Cross, the Alberta Motor Association and SHAPE Alberta (Safe, Healthy, Active, People Everywhere) in partnership with KidSport, the Be Fit for Life network and Alberta Culture and Tourism.

**Interested in taking part in Winter Walk Day?
Email winterwalkday@ab.bluecross.ca and we will set
you up with promotional materials and prizes from
Alberta Blue Cross to give to your employees.**



Connect with us

Why wait for the next issue of *Connection Bulletin*? Keep yourself and your employees up-to-date about the latest Alberta Blue Cross news by following us on **Facebook**, **Twitter** and **LinkedIn**. We'll share interesting health news, information about our community sponsorships, tips to make the most of your benefit plan and keep you informed regarding potential plan or coverage changes. Connect with us today.



We value your feedback

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

We appreciate your feedback regarding *Connection Bulletin*, and welcome any comments you may have about the newsletter or topic suggestions of upcoming issues. Please send your feedback via email 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 *Connection Bulletin* may be found on the Alberta Blue Cross web site at www.ab.bluecross.ca/plan-administrators/connection-bulletin.html.

For more information about topics in this *Connection Bulletin*, please call your Alberta Blue Cross group sales or service representative.



www.ab.bluecross.ca

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