



Province of Alberta

# **ABC BENEFITS CORPORATION ACT**

Revised Statutes of Alberta 2000  
Chapter A-1

Current as of January 17, 2006

Office Consolidation

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## Note

All persons making use of this consolidation are reminded that it has no legislative sanction, that amendments have been embodied for convenience of reference only. The official Statutes and Regulations should be consulted for all purposes of interpreting and applying the law.

## Amendments Not in Force

This consolidation incorporates only those amendments in force on the consolidation date shown on the cover. It does not include the following amendments:

2020 c35 s2 repeals and substitutes the title and chapter number (Alberta Blue Cross Act (RSA 2000 cA-14.15)).

## Regulations

The following is a list of the regulations made under the *ABC Benefits Corporation Act* that are filed as Alberta Regulations under the Regulations Act.

	<b>Alta. Reg.</b>	<i>Amendments</i>
<b>ABC Benefits Corporation Act</b>		
ABC Benefits Corporation .....	272/96 .....	232/2001, 5/2006, 68/2008, 31/2012, 62/2013, 38/2015, 218/2022

# **ABC BENEFITS CORPORATION ACT**

## **Chapter A-1**

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HER MAJESTY, by and with the advice and consent of the  
Legislative Assembly of Alberta, enacts as follows:

### **Definitions**

**1** In this Act,

- (a) “Alberta Blue Cross Plan” means the Alberta Blue Cross Plan operated by the Corporation in accordance with this Act and the regulations;
- (a.1) “board” means the board of directors of the Corporation;

- (b) “Corporation” means the ABC Benefits Corporation continued under section 2;
- (c) “Minister” means the Minister determined under section 16 of the *Government Organization Act* as the Minister responsible for this Act.

RSA 2000 cA-1 s1;2004 c5 s1

**ABC Benefits Corporation**

**2(1)** The Board of Trustees of the Alberta Blue Cross Plan is continued as a not-for-profit corporation with the name “ABC Benefits Corporation”.

**(2)** To carry out its purposes the Corporation has the capacity and, subject to this Act and the regulations, the rights, powers and privileges of a natural person.

1996 cA-0.5 s2

**Purposes of Corporation**

**3** The purposes of the Corporation are

- (a) 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;
- (b) to provide or arrange for the provision of supplementary health benefit programs and related or associated benefit programs and services;
- (c) subject to this Act and the regulations, to continue the operation of the Alberta Blue Cross Plan.

RSA 2000 cA-1 s3;2004 c5 s1

**Board of directors**

**4(1)** The Corporation shall be governed by a board of directors, which shall manage or supervise the management of the business and affairs of the Corporation.

**(2)** The board consists of the number of members determined under the regulations and the members shall be appointed in the manner provided for in the regulations.

RSA 2000 cA-1 s4;2004 c5 s1

**Duty of care**

**4.1(1)** Every member of the board and every officer of the Corporation, in exercising any of the powers of a member or an officer and discharging any of the duties of a member or an officer, must

- (a) act honestly and in good faith with a view to the best interests of the Corporation, and
- (b) exercise the care, diligence and skill that a reasonable and prudent person would exercise in comparable circumstances.

**(2)** Every member of the board and every officer and employee of the Corporation must comply with this Act, the regulations and the bylaws of the Corporation.

**(3)** No provision in any contract, in any resolution or in the bylaws of the Corporation relieves any member of the board or officer or employee of the Corporation from the duty to act in accordance with this Act and the regulations or relieves a member, officer or employee from liability for a breach of that duty.

2004 c5 s1

**Duties of board**

**4.2** The board shall

- (a) establish an audit committee and a conduct review committee;
- (b) appoint an actuary for the Corporation;
- (c) establish and maintain policies and procedures to ensure that the Corporation applies prudent investment standards;
- (d) establish and maintain policies and procedures addressing the identification, disclosure and resolution of matters involving conflict of interest of members of the board and senior officers and employees of the Corporation.

2004 c5 s1

**No distribution of assets**

**5** The Corporation shall not distribute surplus assets or earnings to the members of the board or to any of the officers or employees of the Corporation.

1996 cA-0.5 s5

**Disposition of operations, assets**

**6(1)** The Corporation shall not dispose of any part of its operations as a going concern except

- (a) with the prior consent of the Lieutenant Governor in Council,
- (b) pursuant to an order of the Lieutenant Governor in Council under subsection (2), or
- (c) as part of the winding-up of the Corporation.

**(2)** The Lieutenant Governor in Council may by order direct the Corporation to dispose of

- (a) all or part of its property, assets, liabilities or obligations, or
- (b) all or part of its operations as a going concern.

**(3)** An order under subsection (1)(a) or (2) may be made subject to any terms and conditions, and may contain any terms and conditions, respecting the disposition that the Lieutenant Governor in Council considers appropriate.

1996 cA-0.5 s6

**Bylaws**

**7(1)** The board may make bylaws respecting the conduct of the business and affairs of the Corporation.

**(2)** Bylaws made under subsection (1) must not be inconsistent with this Act or the regulations.

**(3)** The *Regulations Act* does not apply to bylaws made under this section.

1996 cA-0.5 s7

**Head office**

**8** The Corporation shall maintain its head office in Alberta.

1996 cA-0.5 s8

**Auditor**

**9** The Corporation shall appoint a qualified person as auditor of the Corporation.

1996 cA-0.5 s9

**Preparation of financial statements**

- 9.1(1)** The Corporation shall ensure that audited financial statements for the Corporation are prepared annually.
- (2)** The audited financial statements must be prepared in accordance with the regulations, and must show the operations of the Corporation that relate to the administration of programs that are funded by the Government of Alberta separately from the other operations of the Corporation.
- (3)** The Corporation shall establish and maintain a policy that ensures the fair and reasonable allocation of expenses and income among the operations referred to in subsection (2).
- (4)** The Corporation's policy liabilities with respect to the operation of the Alberta Blue Cross Plan, as shown in the audited financial statements, must be certified by the actuary.
- (5)** The Corporation shall make the audited financial statements available for inspection to any person on request and shall provide a copy of the audited financial statements to any person on request.
- (6)** The Corporation may charge a reasonable fee on a cost recovery basis for a copy of the audited financial statements provided under subsection (5).

2004 c5 s1

**Annual report**

- 10** The Corporation shall, not later than 120 days after the end of each fiscal year, prepare and submit to the Minister in a form that is acceptable to the Minister an annual report for the fiscal year that includes the Corporation's audited financial statements and any other information required by the Minister.

1996 cA-0.5 s10

**Information to Minister**

- 11** The Corporation shall on the written request of the Minister provide to the Minister within the time specified in the request any reports, returns or other information relative to the operations of the Corporation that is specified in the request.

1996 cA-0.5 s11

**Insurance Act does not apply**

- 12(1)** The *Insurance Act* does not apply in respect of the Corporation's operation of the Alberta Blue Cross Plan.

(2) The Corporation shall not undertake insurance except as part of its operation of the Alberta Blue Cross Plan.

RSA 2000 cA-1 s12;2004 c5 s1

#### **Payment instead of taxes**

**12.1(1)** If the Corporation is exempt from the payment of income tax under the *Income Tax Act* (Canada) or the *Alberta Corporate Tax Act* with respect to a taxation year, it must, in accordance with the regulations, pay to the Crown in right of Alberta an amount in lieu of tax with respect to that year.

(1.1) If in respect of a taxation year the Corporation is entitled to a refund in accordance with the regulations because

- (a) the amount of instalments paid by the Corporation in a taxation year was greater than the actual payment required under the regulations, or
- (b) under the regulations the Corporation would have been entitled to a refund if it had been required to pay tax under the *Alberta Corporate Tax Act* or the *Income Tax Act* (Canada), or both,

the refund may be paid out of the General Revenue Fund.

(2) Subsection (1) applies with respect to 2005 and subsequent taxation years.

2004 c5 s1;2005 c25 s19

#### **Regulations**

**13** The Lieutenant Governor in Council may make regulations

- (a) specifying the programs and services that constitute the Alberta Blue Cross Plan and governing the nature and extent of those programs and services;
- (a.1) governing, prohibiting and restricting the Corporation's exercise of its powers, the carrying out of its purposes and the performance of its duties under this Act;
- (b) respecting the number of members on the board and providing for all things related to the nomination and appointment of members of the board;
- (c) respecting the payment of remuneration and expenses to members of the board;
- (c.1) governing



- (i) the manner in which audited financial statements are to be prepared, including the manner in which information is to be presented in them, and
  - (ii) the manner in which the audit function is to be carried out
- for the purposes of section 9.1;
- (c.2) excluding programs that are funded by the Government from the reporting requirement in section 9.1(2);
  - (c.3) governing the manner in which the audit committee and the conduct review committee are constituted and governing their powers, duties and functions;
  - (c.4) governing the qualifications of a person to be appointed as actuary, and governing the powers and duties of the actuary and the manner in which they are to be carried out;
  - (c.5) governing the manner in which the amount payable under section 12.1 is to be determined;
  - (c.6) governing the interval for payment of the amount to be paid under section 12.1;
  - (c.7) for the purposes of section 12.1, making any provisions of the *Income Tax Act* (Canada) and the *Alberta Corporate Tax Act* and regulations under either or both enactments applicable to the Corporation, with or without modifications;
- (d) governing the winding-up of the Corporation.

RSA 2000 cA-1 s13;2004 c5 s1

**Transitional**

**14(1)** On December 1, 1996, all of the rights, powers, property, assets, obligations and liabilities of the Provincial Health Authorities of Alberta in respect of the operation of the Alberta Blue Cross Plan are vested in and become the rights, powers, property, assets, obligations and liabilities of the Corporation.

**(2)** If a question arises as to the application of subsection (1) with respect to a particular right, power, property, asset, obligation or liability, the matter shall be referred to the Minister, whose decision is final.

1996 cA-0.5 s14







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