

1. What is an HSA?

A Health Spending Account (HSA) is an account set up in your name (administered by Medavie Blue Cross) that uses tax-free* Flex Credits to pay for out of pocket medical, drug and dental expenses not covered under your health, drug or dental plan and any other eligible medical expenses allowed by the Canada Revenue Agency (CRA). Allocations to an HSA may only be made from Flex Credits provided by your employer.

*Except in Quebec where reimbursements from an HSA are subject to Provincial income tax.

2. What is an eligible medical expense?

CRA defines eligible expenses in the Income Tax Act and includes expenses not reimbursed under health and dental plans because of co-pays, maximum limits, etc. This includes your dependents' expenses. As an example - if you spend \$300 for glasses and your health plan's limit is \$200, the additional \$100 is an eligible expense that may be reimbursed through your HSA.

3. How does an HSA work?

You decide every year during re-enrollment what amount of your Flex Credits will be allocated to your HSA for the following calendar year. Using the HSA is optional and there is no minimum allocation required. You may submit claims for eligible expenses incurred during the calendar year for which you allocated to the HSA. Provided there are sufficient funds in your HSA, you will be reimbursed for expenses that you would otherwise have paid out of pocket. This results in you being able to pay for eligible medical expenses in pre-tax rather than after-tax dollars. These reimbursements are made automatically every quarter (4 times per year) by Medavie Blue Cross.

4. How do I see my HSA account balance?

Any HSA eligible claims submitted to Medavie Blue Cross (MBC) for reimbursement from your HSA will be shown on your annual statement mailed to your home in October of each year. Any eligible claims for which there were not enough funds in your HSA will be shown as unclaimed eligible expenses on your annual statement and will serve as a guide to you when deciding how many Flex Credits to allocate to your HSA for the following year. You may also view your daily HSA balance and details anytime by registering for the secure member website at: www.medavie.bluecross.ca

5. How long do I have to submit expenses to my HSA?

Your plan has an expense carry-forward feature that allows you to claim current year expenses against next year's HSA allocation if you do not have enough funds in this year's HSA. The expense carry-forward provisions of the HSA plan are as follows:

- Expenses incurred in the current calendar year (current year expenses) while enrolled in iFlex may be claimed against the current year HSA allocation at any time during the current year and before the last day of February of the following year.
- Expenses incurred in the next calendar year may not be claimed against the previous year's HSA allocation.
- If the current year HSA allocation is insufficient to cover current year expenses, then the current year expenses may be claimed against next year's HSA allocation. The carry-forward of current year expenses into the next year must be claimed from the next year's HSA allocation by the last day of February of that following year.

6. What happens if I don't use all my current year HSA allocation?

The unused expense carry-forward provision that is used by the plan minimizes the chance that you will forfeit the opportunity to claim from your HSA. However, the HSA does have **a use it or lose it** provision for HSA allocations. It is very important for you to be sure of incurring out of pocket expenses up to your current year HSA allocation each year. In the rare event that an HSA allocation is forfeited, the amount reverts back to the plan to offset administrative expenses.

7. Where can I find more information about HSA and eligible expenses?

A listing of common HSA eligible and ineligible expenses is available from Medavie Blue Cross. For a complete listing please visit Canada Revenue Agency's website to find their medical expense tax guide. You may also contact Medavie Blue Cross directly at 1-800-667-4511. Remember, your HSA is like a bank account and only the employee as the account holder may make inquiries about his/her HSA.

HSA - Expense Eligibility

Eligible expenses are reasonable medical expenses not reimbursed by any government sponsored or private health care plan. Eligible expenses can also include expenses incurred outside your province of residence, deductibles, co-payments, and amounts above plan maximums.

Prescriptions may be required for some services to qualify. Visit cra-arc.gc.ca and search Medical Expense Tax Credits to ensure your expense meets the conditions necessary to qualify under the Income Tax Act.

Common Eligible Expenses

Attendant Care (requires certification of need from physician)	<ul style="list-style-type: none"> Services provided in Home, Retirement Home, Nursing Home or Group Home 	Includes Fees from: <ul style="list-style-type: none"> Personal Care Worker Registered Nurse Respite Care 	Includes Fees for: <ul style="list-style-type: none"> Food Preparation Housekeeping Laundry Services
Dental Services (excluding teeth whitening and cosmetic veneers)	<ul style="list-style-type: none"> Diagnostic Services (x-rays) Dentures Orthodontics 	<ul style="list-style-type: none"> Preventive Services, such as: <ul style="list-style-type: none"> Recall Examinations, Polishing and Application of Fluoride 	
Diagnostic Services*	<ul style="list-style-type: none"> Diagnostic, Laboratory, Radiological Tests and Scans 		
Drugs	<ul style="list-style-type: none"> Drugs requiring a prescription and/or dispensed by a pharmacist, physician or practitioner 	<ul style="list-style-type: none"> Fertility Treatments Flu Shots Insulin Liver Extract Injections 	<ul style="list-style-type: none"> Smoking Cessation Drugs Vaccines Vitamin B12 Injections
Facility Care (excluding television rentals and phone fees)	<ul style="list-style-type: none"> Convalescent Care Home Hospital 	<ul style="list-style-type: none"> Nursing Home Psychiatric Facility 	<ul style="list-style-type: none"> Substance Abuse Facility
Medical Devices and Services	<ul style="list-style-type: none"> Air Conditioners (required for severe chronic ailment, disease or disorder) Artificial Eyes and Limbs Blood Transfusion Fees Breast Prosthesis Cochlear Implants Crutches Diabetic Supplies 	<ul style="list-style-type: none"> Electronic Bone Healing Devices Electronic Speech Synthesisers Hearing Aids Heart Monitoring Devices Needles and Syringes Ostomy Supplies Oxygen Equipment Physician Fees 	<ul style="list-style-type: none"> Prosthetics Repairs to Eligible HSA Devices Respirators Scooters Trusses Walkers Wheelchairs (excluding accessories) Virtual Care (online doctors)
Medical Practitioner Services	<ul style="list-style-type: none"> Acupuncturist Athletic Therapist Audiologist Chiropracist/Podiatrist Chiropractor Dental Hygienist Dentist 	<ul style="list-style-type: none"> Dietician Homeopath Massage Therapist Naturopath Occupational Therapist Osteopath Personal Care Worker* 	<ul style="list-style-type: none"> Physiotherapist Psychiatrist Psychologist Registered Nurse Social Worker Speech Therapist
Medical Transportation Services	<ul style="list-style-type: none"> Ambulance Services Bone Marrow Transplant Charges (patient and donor), such as transportation charges and meals and expenses 	<ul style="list-style-type: none"> Meals and Transportation Expenses, when patient transportation is required (plus one attending person - if required) 	<ul style="list-style-type: none"> Organ Donor Charges (patient and donor), such as transportation charges and meals and expenses
Miscellaneous	<ul style="list-style-type: none"> Health and Dental Plan Premiums (private insurance) 	<ul style="list-style-type: none"> Home or Vehicle Modifications, when required for disabled persons 	<ul style="list-style-type: none"> Service Animal-Related Charges Medical Cannabis Pharmacogenetic Testing
Rehabilitative Training	<ul style="list-style-type: none"> Lip Reading 	<ul style="list-style-type: none"> Sign Language 	
Vision Care	<ul style="list-style-type: none"> Contact Lenses Eye Examinations 	<ul style="list-style-type: none"> Laser Eye Surgery 	<ul style="list-style-type: none"> Prescription Lenses and Frames

Common Ineligible Expenses

<ul style="list-style-type: none"> • Adoption Fees
<ul style="list-style-type: none"> • Athletic or Fitness Club Fees
<ul style="list-style-type: none"> • Cosmetic procedures aimed at purely enhancing appearance, such as: <ul style="list-style-type: none"> - Augmentations - Botox Injections - Hair Replacement Procedures and Supplies (ex. hair plugs, hair extensions) - Laser Hair Removal - Liposuction - Tattoo Removal - Teeth Whitening
<ul style="list-style-type: none"> • Cosmetics and Hygiene Products, such as: <ul style="list-style-type: none"> - Contact Lens Solution - Lotions and Creams - Make-up - Sunscreen - Toothpaste
<ul style="list-style-type: none"> • Dietary Supplements, such as: <ul style="list-style-type: none"> - Food (except when required for enteral feeding) - Minerals and Supplements - Meal Replacements
<ul style="list-style-type: none"> • Esthetic Massage Therapy, such as: <ul style="list-style-type: none"> - Aromatherapy Massage - Body Wraps
<ul style="list-style-type: none"> • Fees for missed appointments
<ul style="list-style-type: none"> • Health Programs (ex. Weight loss program fees)
<ul style="list-style-type: none"> • Home Appliances, such as: <ul style="list-style-type: none"> - Air Conditioners - Air Purifiers - Dehumidifiers - Fans - Humidifiers (except when required for CPAP machines)
<ul style="list-style-type: none"> • Hot Tubs and Saunas
<ul style="list-style-type: none"> • Life and Disability Plan Premiums
<ul style="list-style-type: none"> • Over the counter medications, such as: <ul style="list-style-type: none"> - Acid Controllers - Allergy Medications - Cough and Cold Items - Creams and Lotions - Digestive Aids - Herbal Remedies - Pain Relievers - Smoking Cessation Products - Vitamins
<ul style="list-style-type: none"> • Personal Response Systems (ex. Lifeline and Health Line Services)
<ul style="list-style-type: none"> • Shoes (off-the-shelf or athletic)
<ul style="list-style-type: none"> • Sports Equipment, such as treadmills

Who is Eligible?

Dependents normally eligible under your Health and Dental benefits plan, plus dependents considered eligible under the Canada Revenue Agency. This could include financially dependent family members who are living with the member at some point in the year, such as parents or grandparents. This could also include your child, grandchild, brother or sister, by blood, marriage, common law partnership, or adoption (if under 18 years of age or physically or mentally disabled).

Coverage may vary by group.

