



**EMPLOYEE  
BENEFITS**

# Health Care Spending Accounts



**1-800-668-4830**

**McCaslin Horne Insurance Brokers**

[www.mccaslinhorne.com](http://www.mccaslinhorne.com)

## OVERVIEW

Healthcare Spending Accounts are a pre-determined amount of money that an employer provides to an employee to be used for routine health and dental expenses incurred by the employee during the benefit year. It acts similar to a bank account in as much as a deposit is made at the beginning of the year and then the balance is reduced over the year as claims are paid out. Once the balance is zero then the employee must wait until the beginning of the next benefit year for the account to be replenished.

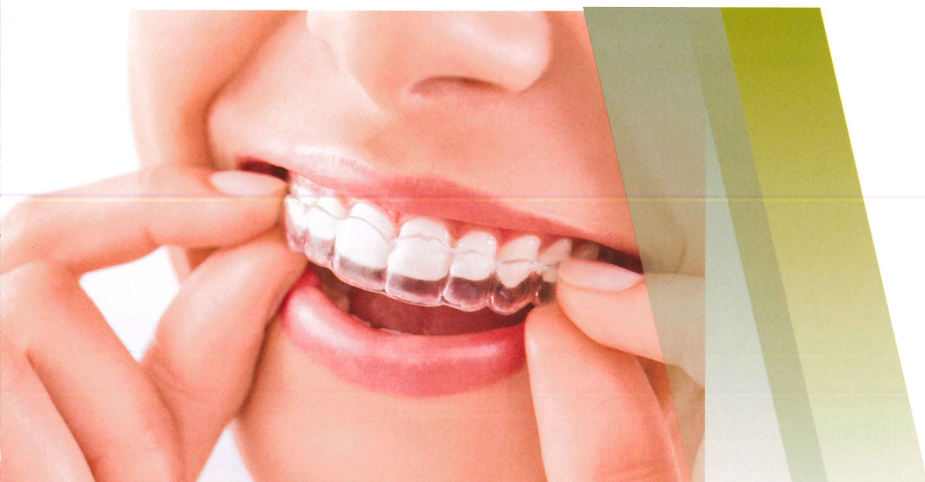
The contributions made by the employer are tax deductible and the benefits received by the employee are tax free.

The advantage to the employer is that using this form of benefits provides cost certainty to the company while the advantage to the employee is greater choice on how the benefits can be used based on their individual lifestyle.

Also, any unused monies left over at the end of the benefit year for an employee are carried forward to the next benefit year to be used in addition to their new limit for that year.

In addition to the Healthcare Spending Account, an extra layer of protection for catastrophic health events is provided in two key areas:

- Outside Canada Emergency Medical Travel Insurance - \$5,000,000 up to 60 days per trip
- Inside Canada Catastrophic Drug Claims in excess of \$5,000 up to \$1,000,000 per person lifetime coverage



## COVERAGE

100% of claims are reimbursed up to the annual limit of the Healthcare Spending Account provided they are recognized by CRA as legitimate medical expenses for tax purposes. The following are highlights of coverage but not the only services offered:

### Health and Prescription Drugs

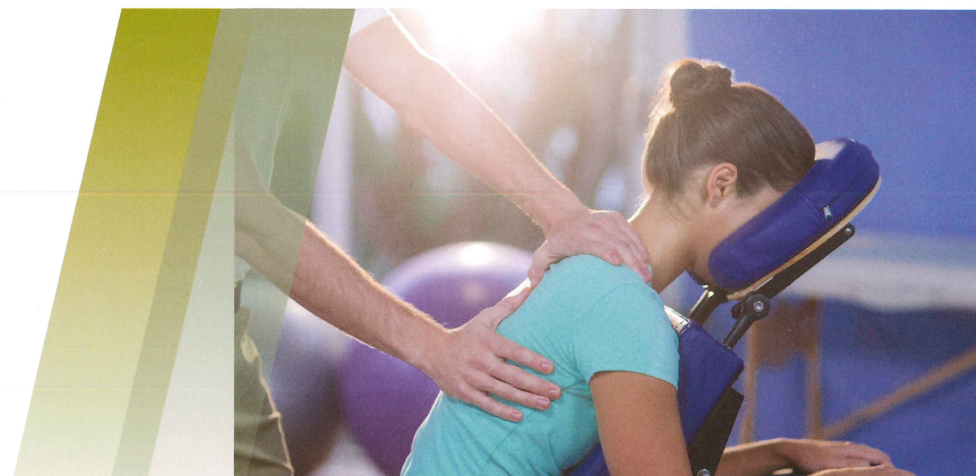
- Semi-Private or Private Hospital Room Accommodation
- Convalescent Hospital
- Private Duty Nursing Care
- Ambulance Services
- Medical Tests and Bloodwork not covered by OHIP
- Medical Devices and Assistive Aids
- Prescription Drugs (Brand Name or Generic)

### Para Medical Services

- Registered Massage Therapy
- Acupuncture
- Osteopaths
- Podiatrists
- Chiropodists
- Naturopaths
- Chiropractors
- Speech Therapists
- Psychologists
- Physiotherapists

### Dental and Vision Care

- Basic/Preventive Dental Services
- Major Restorative
- Orthodontics
- Dental Implants
- Eye Examinations
- Prescription Eye Wear
- Laser Eye Surgery



## Plan Funding

The annual Healthcare Spending Account limit for each class of employee is determined by the employer. For example, Pharmacists - \$3,000, Pharmacy Technicians - \$1,500

It is then billed monthly to the company plus a 15% administration fee and applicable government taxes. Monthly statements will be provided showing the contributions made for each employee as well as claims paid out.

At the end of the benefit year, a reconciliation is prepared for the company showing any carry forward amounts for the employees as well as any refunds due to the employer.

## Claims Administration

Healthcare Spending Accounts come with a pay direct dental card. A claims app is also available for download or claims can also be completed manually and mailed or faxed directly to The Benefits Trust.



McCaslin Horne Insurance Brokers  
211 Guelph St., Suite 4  
Georgetown, ON L7G 5B5  
[www.mccaslinhorne.com](http://www.mccaslinhorne.com)  
Toll Free: 1-800-668-4830

