

EMPLOYEE SPENDING ACCOUNTS
GROUP BENEFITS

Health Insurance



TRUE BLUE DIFFERENCE®

You've taken the first step by coming to us, and we're here to ensure you have an exceptional experience.

We love what we do, we're passionate about the services and products we offer, and we care about the people we work with every day—our customers, our colleagues, our communities.

Because in the end, it comes down to what really matters . . . caring for you.

That's the True Blue Difference.



You know that your employees are your company's most valuable asset. Your Group Benefits Plan protects this asset by helping your employees stay healthy and productive.

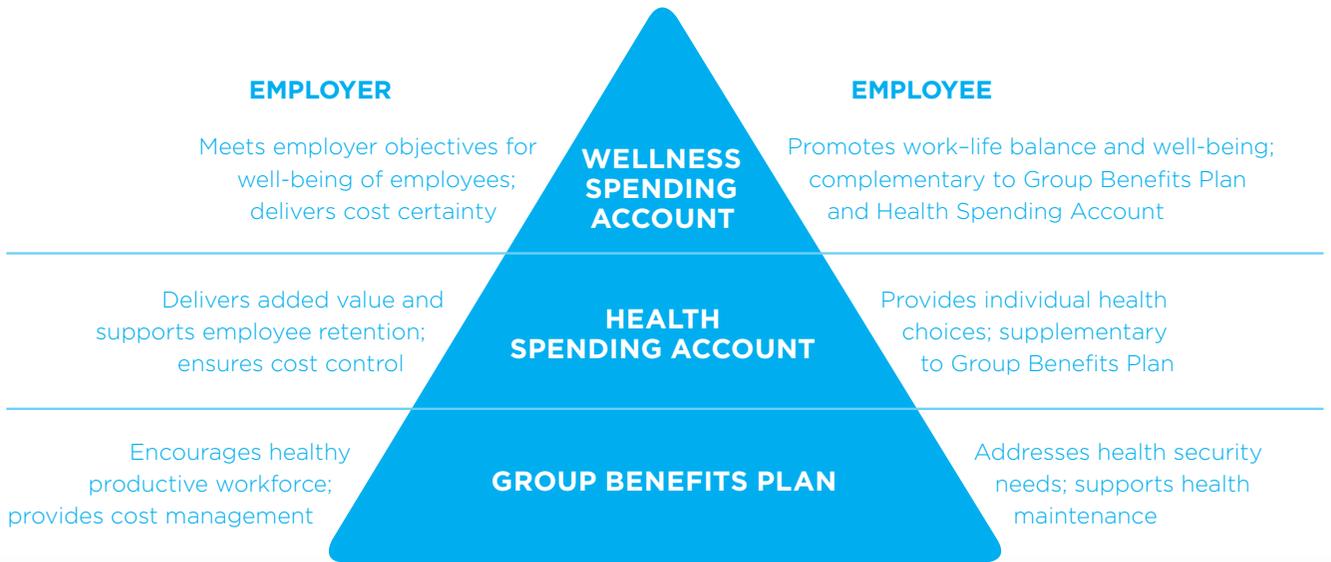
You also know that no two employees have the same benefit needs. Our Group Benefits Plans are designed with a high degree of structured flexibility—including a wide range of benefit options and differing levels of coverage—allowing you to meet the diverse needs of your organization.

At the same time, our commitment to cost effectiveness ensures you get the best value for your benefit dollars. Our **cost management** includes use of the *Saskatchewan Drug Plan Formulary* as our guide for prescription drug claims; the College of Dental Surgeons of Saskatchewan *Suggested Fee Guide for General Practitioners* as the basis of payment for dental claims; active management of long-term disability cases; and a stringent system of checks and balances to deliver proven claim and benefit management.

Yet a Group Benefits Plan designed with rich benefits, combined with high utilization by employees, can lead to increased rates that could jeopardize the long-term sustainability of your plan.

Our Employee Spending Accounts offer a solution to that concern. They enable you to give your employees the choice they need while ensuring long-term cost containment for your overall benefit plan. And they give you the edge in attracting and retaining quality employees.

Clear Advantages



Spending Accounts

EMPLOYEE SPENDING ACCOUNTS

Saskatchewan Blue Cross Employee Spending Accounts are part of a **managed approach** to group benefits, balancing added flexibility for your employees with cost containment for your business ... win-win for you and your employees.

Employee Spending Accounts are administered by Saskatchewan Blue Cross and funded with pre-tax dollars through employer contributions.

Our Employee Spending Accounts may be purchased with a Group Benefits Plan or as stand-alone products.

HEALTH SPENDING ACCOUNTS

Our Health Spending Accounts (HSA) allow you to reimburse health expenses not covered by your Group Benefits Plan or government programs, and help with co-insurance payments, deductibles, and amounts in excess of health and dental plan limits.

A HSA provides a means for you to address specific individual health needs, by delivering greater choice to your employees while maintaining **cost control** and limiting your financial liability for such choices.

How does a Health Spending Account work?

You specify the amount of pre-tax credit (minimum \$50) to be deposited into an account administered by Saskatchewan Blue Cross.

Your employees use the credits toward medical expenses that meet the eligibility criteria of the Canadian Revenue Agency (CRA). The CRA allows for a broader definition of dependent—including extended family members not otherwise eligible under a benefit plan—and provides a comprehensive *List of eligible medical expenses* on its website, www.cra-arc.gc.ca.

In combination with a Group Benefits Plan, HSA is the last payer of a claim.



Improve Your Flexibility

WELLNESS SPENDING ACCOUNTS

Our Wellness Spending Accounts (WSA) allow you to address employee health and wellness needs at a holistic level, providing support for physical health, mental and emotional health, career health, and quality of life. If you already offer support for some of these needs, a WSA will allow you to bundle these areas of focus into a single benefit.

WSAs give employees maximum choice and control in a wellness benefit, while limiting employer expenditures in support of wellness to a predefined maximum annual cost—thereby delivering **cost certainty**.

How does a Wellness Spending Account work?

You choose from the eight categories in the table on the right hand page, available in any combination. On an annual basis, you determine the amount to be allocated to the employee's account (minimum \$50) and whether the funds are available to employees only or employees and dependents.

Your employees use the credits toward expenses related to maintaining and enhancing health and wellness. The majority of the expenses covered under a WSA are not considered eligible medical expenses as defined by CRA, so this benefit is taxable to the employee. We provide a report each month so you are able to process the tax.

In any combination of plans, the WSA will always be the last payer of a claim.



Wellness Account Categories

Health & Wellness Support

- Weight & nutritional counselling
- Stress management & relief programs
- Smoking cessation products, programs & therapies
- Weight management products, programs & therapies
- Personal Health Assessment programs & tools
- Prenatal & birthing education & support
- Home medical equipment & supplies for enhanced independence

Alternative Health Treatments

- Alternative health treatments & therapists for the mind & body

Fitness & Sports Activities & Equipment

- Fitness & sports fees
- Instructed class
- Personal trainer
- Fitness & sports equipment

Personal Development

- Personal interest courses, supplies & fees for legal & financial advice

Family Care

- Child care services, camps & programs

Recreation & Leisure

- Recreation fees & equipment

Supplement & Meal Replacement

- Supplements, over-the-counter medications & nutritional meal replacements

Other Medical

- CRA eligible services for practitioners, extended health benefits, drugs, basic & major dental, orthodontics & vision that have been partially covered or otherwise not covered by an existing health &/or dental plan

Choose What's Right For Your Organization

WELLNESS SPENDING ACCOUNT

HEALTH SPENDING ACCOUNT

Eligible Expenses

Taxable

Non-taxable, as defined by CRA

Benefits

Any combination of the 8 categories

As defined by CRA

Eligible Dependents

Dependents included on the Enrolment System

As defined by CRA

Minimum Credit Allocation

\$50

\$50

Minimum Enrolment

No minimum

No minimum

Online Services – Group Member

With log-in access, view balance in account

With log-in access, view balance & a detailed daily report

Online Services – Group Administrator

With log-in access, Plan Sponsor is able to view the policy contract & Spending Account information for each employee, e.g., the claims submission deadline, the forfeit date of funds, the balance for the contribution year

With log-in access, Plan Sponsor is able to view the policy contract & Spending Account information for each employee, e.g., the claims submission deadline, the forfeit date of funds, the balance for the contribution year

Claim Limitation Period

The period after the end of a policy year during which time a member can submit eligible claims against a balance remaining from the previous year's credit allocation

The period after the end of a policy year during which time a member can submit eligible claims against a balance remaining from the previous year's credit allocation

1 month

1, 2 or 3 months

Termination of Member

Claims are stopped with termination; no *Claiming Limitation Period* applies

Members who terminate have until the end of the policy year plus the *Claiming Limitation Period* to submit eligible claims

Admin Fees

Applied to the value of claims paid

Applied to the value of claims paid

Reports

Plan Sponsor receives a **monthly** report of claims paid per employee for tax purposes

Plan Sponsor receives an **annual** report of claims paid

Minimum Annual Expense

The greater of actual claims administration charged as a percentage of claims or **\$300**

The greater of actual claims administration charged as a percentage of claims or **\$300**

Renewal

Annually

Annually

Contact Us

If you have any questions about
Employee Spending Accounts
or what these benefits mean for
you and your organization,

contact your local insurance broker

or an

Employee Benefits Specialist

at Saskatchewan Blue Cross

1.800.667.6853

sales_inq@sk.bluecross.ca

sk.bluecross.ca

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Our business hours are 8:30am to 5:00pm weekdays.



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