



## Flexible Spending Account (FSA)

Your Flexible Spending Account is a supplemental benefit that is fully funded by Covenant Health and provides FSA credits (benefit dollars) each calendar year for an enhanced comprehensive benefit package.

Eligible employees have the opportunity to allocate FSA credits into one or more of the following accounts:

1. Flex Spending Health – Canada (non-taxable)
2. Personal Spending (taxable)
3. Group RRSP (taxable)
4. Group TFSA (taxable) – where applicable

Your FSA is a portion of your overall compensation designed to support your Supplementary Health and Dental benefits, encourage fitness, professional development and financial well-being for you and your family. Flexible Spending Account details and eligible expenses are available [through CompassionNET](#) (Home/Employee Centre/My Compensation/ My Benefits/ Flexible Spending Account) or on the Alberta Blue Cross website under “[Group Plan Member Services](#)”.

If eligible; an employee’s participation in the Flexible Spending Account is not contingent on whether they are enrolled in the Supplementary Health and Dental plans. Employees eligible for the FSA must allocate and submit their FSA credit selection within a designated timeframe. For your allocation to be processed you must follow specific instructions; otherwise, your FSA credits will default to the Flex Spending Health - Canada account and are ineligible for reallocation.

The annual FSA credit allocation occurs within November or December for the upcoming calendar year as per the eligibility date and requirements outlined in the respective Collective Agreement or Terms and Conditions of Employment. Employees who become eligible for a FSA mid-year, will be provided credits that are prorated based on FTE or salary (Out of Scope) and the number of full months remaining in the calendar year. The benefit year for the FSA is January through December.

FSA benefit eligible employees will be instructed to allocate their FSA credits as per an e-mail issued to the employee’s Covenant Health e-mail address. It is essential that eligible employees take this opportunity to allocate their FSA credits to one or more of the available FSA accounts. If you do not allocate or your allocation was incomplete, your credits will default to the Flex Spending Health – Canada account (Account #1). Should your FSA credits default, you will not have the opportunity to reallocate unless outlined in the HR Benefit Standard #6 – Flex Credit Allocation Exceptions.

## Flexible Spending Account (FSA)

### Your options (accounts)

#### ACCOUNT#1

##### Flex Spending Health - Canada

(non taxable)—administered by Alberta Blue Cross

*Eligible expenses for you and your dependents*

This account enhances and covers a wide range of health and dental related expenses over and above what is covered under Covenant Health's Supplementary Health and Dental plans.

Eligible expenses are defined by the Canada Revenue Agency (CRA) and are subject to change without notice. For more details and to see a full list of allowable expenses, visit the CRA website at [cra-arc.gc.ca/medical](http://cra-arc.gc.ca/medical).

*Your unused FSA credits carry forward in this account for one calendar year. If the carried forward credits are not used by the end of the carry-forward year (December 31), they will be forfeited. Please visit the Alberta Blue Cross plan member website or refer to your benefit booklet for plan rules.*

*For a comprehensive overview, please refer to your [Alberta Blue Cross benefit booklet](#). The booklet references this benefit as the Health Spending Account.*

#### ACCOUNT#2

##### Personal Spending

(taxable)—administered by Alberta Blue Cross

*Eligible expenses for you only (exception: family care expenses are eligible for dependents)*

This account has multiple categories including family care, professional development, health support, pet care and more. Please view the Alberta Blue Cross benefit booklet or visit the member's web site to view all eligible categories.

Eligible expenses do not fall under the CRA guidelines and are therefore a taxable benefit.

*Your unused FSA credits carry forward in this account for one calendar year. If the carried forward credits are not used by the end of the carry-forward year (December 31), they will be forfeited. Please visit the Alberta Blue Cross plan member website or refer to your benefit booklet for plan rules.*

*For a comprehensive overview, please refer to your [Alberta Blue Cross benefit booklet](#). The booklet references this benefit as the Wellness Spending Account.*

**Note:**

Reimbursed Personal Spending credits will be reflected on your Covenant Health T4.

The amount you claim each month will be reflected on the off cycle pay (no benefit deduction pay) **up to a maximum of \$1,000.00 per month and subject to statutory deductions (income tax, CPP, and EI).**

Any amount more than \$1,000.00 will be carried forward until all applicable statutory deductions are collected. At the end of the taxation year, any outstanding claims will be recorded on your T4.

## Flexible Spending Account (FSA)

### ACCOUNT#3

#### Group RRSP

(taxable)—administered by RBC

*Eligible for you and/or your spouse*

**Group Number: 2546**

Employees allocating their FSA credits to a Group RRSP are required to have an active RBC account under Group #2546 within 14 days of allocating OR the credits will default to Account #1 – Flex Spending Health – Canada (non-taxable) account and will not be eligible for reallocation.

The Group RRSP is administered by the Royal Bank of Canada (RBC). RRSP contributions from FSA credits are deposited monthly. The RRSP credit allocation will be divided into equal monthly deposits depending on the number of full months remaining in the calendar year at the time the initial deposit is set up. For example, an FSA allocation for January 1 will be divided into 12 monthly deposits and each deposit is subject to CPP and EI deductions. Note: If you allocate to a RRSP and terminate employment or transfer to a position no longer eligible for benefits, you will forfeit the remaining balance.

To open an RBC Group RRSP account, please go to an RBC branch or call 1-888-769-2566 within 14 days of allocating. If you are contributing to a spousal plan, both you and your spouse are required in person, at the branch to open the account.

If you already have an existing RBC Group RRSP account (#2546), an additional account is not required unless your account is inactive. Should you wish to change the direction of your RBC Group RRSP account (ex: from personal contribution to spousal), please visit a branch or call 1-888-769-2566 within the required deadline.

*Please refer to your RRSP contribution limit on your annual Notice of Assessment from CRA. It is your responsibility to ensure that you are not exceeding your limit.*

*Tax is not deducted from your RRSP contributions. However, your contributions are a taxable benefit and are included as taxable earnings on your T4. To counter or defer tax, RBC issues an RRSP tax receipt to be used when filing your personal income tax statement.*

### ACCOUNT#4

#### Group TFSA

(taxable)—administered by RBC

*Available where applicable*

**Group Number: 18271**

Employees allocating their FSA credits to a Group TFSA are required to open a RBC account under Group #18271 within 14 days of allocating OR the credits will default to Account #1 – Flex Spending Health – Canada (non-taxable) account and will not be eligible for reallocation.

The Group TFSA is administered by the Royal Bank of Canada (RBC). TFSA contributions from FSA credits are deposited monthly. The TFSA credit allocation will be divided into equal monthly deposits depending on the number of full months remaining in the calendar year at the time the initial deposit is set up. For example, an FSA allocation for January 1 will be divided into 12 monthly deposits and each deposit is subject to CPP, EI and Tax deductions. Note: If you allocate to a TFSA and terminate employment or transfer to a position no longer eligible for benefits, you will forfeit any remaining balance.

If you do not have an active RBC Group TFSA, please go to an RBC branch or call 1-888-769-2566 within 14 days of allocating.

Employees may contact Christina Bernardo by email [christina.bernardo@rbc.com](mailto:christina.bernardo@rbc.com) or call 780-288-5599 if having trouble opening an account within the allocation deadline.

*You are expected to ensure remitted amounts are coordinated with your allowable annual TFSA contribution room and other CRA regulations.*

*Your RBC Group TFSA contributions are taxable and will fall into boxes 14 and 40 on the T4 form issued through payroll.*

## Flexible Spending Account (FSA)

### FSA credit allocations

You have the choice of allocating your FSA credits to one account or multiple accounts—your choice depends on your personal assessment. Once the allocation window closes, your credits cannot be adjusted or changed. If your allocation isn't made by the deadline, your credits will default to Account #1 – Flex Spending Health – Canada and won't be eligible for reallocation.

### Claiming information

Alberta Blue Cross processes claims for Account #1 and Account #2. You may submit your claims and obtain information regarding claims history, account status and claims information from Alberta Blue Cross in the following ways:

1. Visit the Alberta Blue Cross member website or the download the Alberta Blue Cross App. If you have not yet signed in as a plan member, click “Not registered yet” and follow the registration process.
2. Call 780-498-8000 (Edmonton and area) or 1-800-661-6995 (toll free) for questions or general inquiries related to your account.

Your Flex Benefit Program year-end is December 31. Alberta Blue Cross must be in receipt of your eligible claim submission(s) no later than the last business day in February to be eligible for reimbursement of the preceding year's expenses.

To review your claim payments, visit the Alberta Blue Cross member website or the Alberta Blue Cross *MyBenefits* App.

Statements of your remaining credits will be attached to each payment. When there is a balance in any spending account with Alberta Blue Cross, a statement will be issued twice a year (even if you have not made a claim).

**For more information on the Flex Spending Health – Canada Account and Personal Spending Account, visit the [Alberta Blue Cross member website](#) or refer to your [benefit booklet](#).**

