

The Simple Package

What Is it and How Does it Work?

It's a Health Care Spending Account (HCSA)...You set up regular contributions (annual or monthly) to an individual spending account from which you withdraw to help offset your Health & Dental expenses. Any unused balance gets carried over to the next year. You can also use the HCSA as an added value proposition to future employees once you take that next step. Funding the HCSA is an eligible business expense.

What Does it Cover?

Along with covering the "regular" products and services found in Traditional Group Insurance programs, an HCSA also covers dozens of other eligible services as determined by the CRA.

How much Does it Cost?

The costs associated with an HCSA are the funding of the accounts; a 10% administration fee; and applicable taxes. The minimum account amount is \$500 and if you are incorporated, then the maximum can be any amount within reason. If you are a Sole Proprietor, then CRA Guidelines dictate that the maximum is \$1,500 per Adult and \$750 per child.

Will the Cost Ever Increase?

You decide if your costs will increase. Once a year at your HCSA Anniversary, you will have the opportunity to decide whether or not you want to increase the annual or monthly deposit(s) into the HCSA.

Can I add Optional Coverage?

Yes, you can add Travel Coverage and/or Catastrophic Coverage.

What if I have coverage through my Spouse?

The HCSA can cover the gaps in your Spouse's Plan. Those gaps are typically the deductibles; the 10% or 20% coinsurance you have to pay; and exceeding Plan Maximums for coverage such as Vision Care; Physiotherapist; Chiropractor, etc... Even gaps created, for example, by not covering certain benefits like Orthodontics for your 13 year old can be handled by the HCSA.

What is involved with administering the Program?

Most of the administration of the Program occurs at implementation...you will fill out the Activation Form and then complete the Enrollment on-line. Moving forward, you will only need to just let the Carrier know if a change in your status occurs (Single to Family; Family to Single)...and, of course, submit the funding. You submit your claims on-line and all of the administration is done on-line.

What's the downside?

If there is a downside to the HCSA, then it is the fact that 1. You have to pay out-of-pocket first, then submit the claim to be reimbursed; and 2. You can only claim what is in your Account.