Fact Sheet

Health Care Spending Account for OPSEU-Correctional Bargaining Unit Represented Regular and Seasonal Employees

Eligible regular and seasonal employees will have access to a $300 Health Care Spending Account (HCSA) in accordance with the arbitration award dated December 4, 2023 between the Employer and the Ontario Public Service Employees Union (OPSEU) Correctional Bargaining Unit.

Health Care Spending Account

Effective January 1, 2024, a HCSA will be implemented for eligible employees enrolled in the Supplementary Health and Hospital (SHH) and/or dental plans. The HCSA is a tax free, employer-funded account that can be used to pay for eligible medical expenses for plan members and their eligible dependents, as defined in the *Income Tax Act*.

Effective on January 1, 2024, and subsequently on January 1st each year, the Employer will provide a credit of $300 in an HCSA for each eligible employee to be used for eligible medical expenses incurred between January 1st through December 31st. Unused credits remaining at the end of a calendar year will be carried over to the following calendar year's HCSA balance. See below for further information about carry-over rules.

Note: The HCSA can only be used for eligible medical expenses incurred on or after January 1, 2024. This means that each eligible employee will have the entire credit towards expenses incurred in this first year.

Eligibility

Who is Covered?

Regular and seasonal employees in the OPSEU Correctional Bargaining Unit enrolled in the SHH and/or dental plans will automatically be provided with access to the HCSA.

Note: Fixed-term employees (except for seasonal employees) are not eligible for the HCSA.

In addition to the standard eligible dependents such as a spouse or dependent children under the SHH and or dental plans, the HCSA may provide coverage for a wide range of other dependents. For example, coverage may include claims for individuals who claim the medical expense tax credits as defined under the *Income Tax Act*, such as grandparents, parents, brother, sister, aunt, niece or nephew. It is important to note that the annual maximum applies to each eligible employee and any claims for spouse and dependents, and other eligible persons are applied against the employee's annual maximum amount.

What Can I Claim?

Eligible medical expenses incurred on or after January 1, 2024, that qualify for a medical tax credit under the *Income Tax Act* may be covered. The list of such expenses may include some items that are not covered by the SHH and dental plans. Examples include the cost of nursing home care or attendant care services, artificial limbs, visual and hearing enhancement devices, dwelling modifications such as wheelchair ramps, and services provided by certain paramedical practitioners.

For a full list of eligible medical expenses and details about eligible dependents under the *Income Tax Act*, please see the Canada Revenue Agency (CRA) guide on Medical Expense Tax Credit.

Claim Procedures

Manulife, the insurance carrier that administers the life insurance, SHH and disability plans for OPSEU Correctional Bargaining Unit-represented employees will also administer the HCSA.

The HCSA plan may be used to top-up expenses incurred on or after January 1, 2024 that are not fully covered by the SHH or dental plans, including deductibles and co-payment amounts, or to cover expenses that are not payable under the SHH or dental plans.

Submitting a claim: The HCSA will reimburse employees for eligible expenses up to the $300 or available account balance. You may submit your claims for coverage under the HCSA as you would normally do for other group health and dental claims.

In order to maximize the HCSA, it is recommended that you submit claims to the HCSA after you have claimed via other available sources. For example, you should submit your claims to your group insurance plan first (or any insurance plans under which you and your eligible dependents are covered) prior to seeking reimbursement under the HCSA.

Once you have received reimbursement from other available sources, you would then submit a claim under the HCSA to supplement coverage.

As with existing processes for the group insurance health and dental plans, you may submit claims by completing and mailing a claim form, or by submitting an online e-claim:

- **Claim Forms**: The SHH and dental claim forms available online via the Forms Repository on InsideOPS include an option to select coverage under the HCSA.

- **Online e-Claims**: Certain claims may be submitted online via the Manulife Plan-Member site (www.manulife.ca), provided you register for access to the site.

Note: Claim submissions for eligible expenses submitted to Manulife between January 1, 2024 and February 28, 2024 can only be submitted using the claim form. The online e-claim Manulife Plan Member site and Mobile App will not be ready for HCSA claim submissions until March 1, 2024.

Co-ordination of Benefits: Where applicable, it is recommended that claims be first submitted under your standard group insurance plans (or any other plan that provides you coverage) prior to submitting claims to the HCSA for any remaining balance. You will need to include the benefit claim statement for any reimbursement that you receive, when submitting a claim to your HCSA.

HCSA Claim Submission Deadlines: Claims under the HCSA for expenses incurred in a calendar year (i.e., by December 31st) must be received by the Manulife claims office by May 31st of the following calendar year. The deadline for submission of HCSA claims is different than the usual claims deadline for other SHH and Dental expenses.

For example, HCSA claims for expenses incurred between January 1, 2024, through December 31, 2024, must be received by **May 31, 2025.** Similarly, claims incurred between January 1, 2025, through December 31, 2025, must be received by May 31, 2026.

Any claims incurred for the prior year's expenses received by Manulife later than the annual May 31st deadline will be ineligible for reimbursement under the HCSA.

Carry-over of unused credits:

Unused credits remaining at the end of a calendar year will be automatically carried over and added to the following year's HCSA balance. The carry-over amount will be used first to pay claims for expenses incurred in the previous year, provided the insurer receives such claims by the required submission deadline of May 31st.

Any unused carry over balance from the prior year will be forfeited if it is not used by the end of the carry over year.

Example: HCSA Credit Carry-Over and Annual Claims Submission
2024 Calendar Year:

Claims Description	Credit
HCSA credit allocation for 2024	$300
Expenses incurred between January1, 2024 to December 31, 2024: Claim(s) submitted by deadline of May 31, 2025*	**-$150**
Unused 2024 credit carried over to 2025 (first source of payment for expenses incurred between January 1, 2025 through December 31, 2025)	$150

2025 Calendar Year:

Claims Description	Credit
New HCSA credit allocation for 2025	$300
HCSA credit balance carry-over from 2024	$150
Total HCSA credit available for 2025	$450
Expenses incurred January 1, 2025 to December 31, 2025: Claim submitted in 2025 and paid from the $150 carry-over balance from 2024	**-$125**

Unused credit at December 31, 2025: 2025 credit of $300 + $25 remaining from 2024 carry-over	$325
Forfeited 2024 carry-over: Unused credit remaining from the $150 carry over amount	$25
Unused 2025 credit balance carried over to 2026 (first source of payment for expenses incurred between January 1, 2026 to December 31, 2026)	$300

2026 Calendar Year:

Claims Description	**Credit**
New HCSA credit allocation for 2026	$300
Unused HCSA credit carry-over from 2025	$300
Total HCSA credit available for 2026	$600
Expenses incurred between January 1, 2026 to December 31, 2026: Claim submitted by deadline of May 31, 2027	**-$600**
Unused 2025 credit and full 2026 credit used, therefore, – zero carry over to 2027.	$0

***Note:** The claims submission deadline for expenses incurred in a calendar year is May 31st of the following calendar year.

You may find out about your HCSA balance at anytime by contacting Manulife directly, or online via the plan member website.

Resources

For information on eligible medical expenses and eligible dependents please see the Canada Revenue Agency (CRA) guide on Medical Expense Tax Credit.

Forms: HCSA claim forms are available online via Inside OPS Forms Repository.

Manulife:
OPSEU-Correctional Bargaining Unit-represented employees – life insurance, SHH, disability plans and HCSA
Phone: 1-800-268-6195
Website: www.manulife.ca

Canada Life
OPSEU-Correctional Bargaining Unit-represented employees - dental plan
Phone: 1-800-874-5899
Website: www.canadalife.com

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