

# Health Spending Accounts



## Flexibility in health care choices

Health Spending Accounts (HSAs) are a practical, affordable and cost-effective way to meet the changing needs of today's employers and employees.

Pacific Blue Cross Health Spending Accounts complement a group plan, reimbursing employees for a wide range of health-related expenses outside of their standard benefits. HSAs are funded with pre-tax dollars through employer contributions and are administered by Pacific Blue Cross according to Canada Revenue Agency (CRA) guidelines. They provide the perfect mix of flexibility and cost containment, in a tax effective way.

### Cost containment

HSAs have stable costs that are predictable from year to year. Employees become more aware of health care costs because they are responsible for managing their own benefit dollars through the year.

### Tax advantages

HSAs allow you to deliver tax-effective compensation to your employees, using pre-tax dollars. At the beginning of the year, you decide on the amount to be available in the Health Spending Account and it's a tax deduction for your business.

### Flexibility

There are a wide variety of eligible expenses that can be cleared under an HSA. Eligible dependents include the eligible dependents as defined by the CRA.

## ✓ Eligible expenses include

- Unpaid balances not covered under your other benefit (deductible amounts, percentage not covered)
- Vision care expenses
- Prescription drug expenses commonly excluded under health plans (such as drugs for fertility or erectile dysfunction)
- Dental grafts and implants

## ✗ Ineligible expenses include

- Services of ineligible medical practitioners
- Supplements
- Ear plugs
- Exercise equipment
- Hot tubs

*The examples listed here are not comprehensive;*

To learn more about how HSAs can benefit your business, contact your Plan Advisor or Pacific Blue Cross:

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