

MINISTERIAL ORDER No. 01/2020

**PRESIDENT OF TREASURY BOARD, MINISTER OF FINANCE
PROVINCE OF ALBERTA**

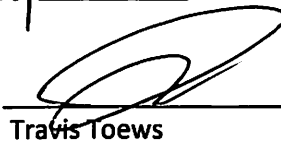
PUBLIC SERVICE COMMISSION

Health Spending Account Plan

I, Travis Toews, President of Treasury Board, Minister of Finance, pursuant to section 8 of the *Government Organization Act* hereby:

1. Continue the Public Service Health Spending Account Plan as the Health Spending Account Plan, as set out in the attached Appendix.
2. Rescind Ministerial Order 13/2012 and Ministerial Order 02/2019.
3. Make this Ministerial Order effective April 1, 2020.

DATED this 28 day of February, 2020.



Travis Toews
President of Treasury Board, Minister of Finance

APPENDIX
HEALTH SPENDING ACCOUNT PLAN

NAME AND DESCRIPTION OF THE PLAN

- 1.1 The Public Service Health Spending Account Plan established on April 1, 2012 by MO 13/2012, as amended by MO 02/2019, is continued as the Health Spending Account Plan.
- 1.2 The Health Spending Account Plan consists of an annual credit allotment provided by the Employer to each eligible Employee who may use the credit allotment to cover Eligible Health Care Expenses up to the amount of the credit allotment in accordance with the terms and conditions of the Plan.

INTERPRETATION

- 2.1 For the purposes of the Health Spending Account Plan, the following terms have the corresponding meaning:

“Bargaining Unit Employees” means employees to whom the *Public Service Act* applies and who are designated to be represented by the Alberta Union of Provincial Employees (“AUPE”) under the Master Agreement between the Government of Alberta and AUPE, effective November 4, 2018, as amended.

“Benefit Fund” means the Benefit Fund for Health and Wellness Spending Account Plans continued under Alberta Treasury Board Directive # 01/2020.

“Claim” means a claim submitted to the Plan Administrator for reimbursement under the Employee’s HSA.

“Credits” means the annual credit allotment described in section 3.1.

“Dependents” means eligible dependents of Employees as described in section 3.2(b) and (c).

“Eligible Health Care Expenses” means hospital or other medical care expenses that normally qualify for a medical expense tax credit under subsection 118.2(2) of the *Income Tax Act* (Canada), as amended, and that are provided by a health care practitioner who is licensed and regulated to provide the hospital or medical care within the jurisdiction in which such care is provided.

“Employees” means Non-Bargaining Unit Employees.

“Employer” means the Crown in right of Alberta.

“Fund Administrator” means the administrator of the Benefit Fund as defined in Alberta Treasury Board Directive #01/2020.

“Health Spending Account” or **“HSA”** means the non-taxable benefit that complements the 1st *choice* group health and dental plans by reimbursing Employees for Eligible Health Care Expenses.

“Non-Bargaining Unit Employees” means employees who are:

- (a) appointed to the respective Management, Opted Out or Excluded position, class or job within the Government of Alberta and are not Bargaining Unit Employees, or
- (b) eligible for the 1st *choice* group health and dental plans;

but does not include Members of the Legislative Assembly of Alberta.

“Plan” means the Health Spending Account Plan.

“Plan Administrator” means ABC Benefits Corporation, operating as Alberta Blue Cross.

“Plan Year” means April 1 to March 31.

“Run-Off Period” means the two (2) month period following the end of the Plan Year.

“Run-Off Period at the End of Employment” means the two (2) month period following the end of an Employee’s employment with the Employer, whether by termination, resignation, retirement or otherwise.

- 2.2 In this Plan, words in the singular include the plural and words in the plural include the singular.

CREDITS AND COVERAGE

- 3.1 The Employer will provide each Employee with a credit allotment in the amount of \$950 to their HSA on April 1 of each year or on the date they commence employment with the Employer if after April 1.
- 3.2 Employees may use their Credits for reimbursement of Eligible Health Care Expenses that are incurred during the Plan Year by:
- (a) the Employee,
 - (b) dependents listed under an Employee’s 1st*choice* group health and dental plans, or

(c) other dependents as defined under section 118(6) of the *Income Tax Act* (Canada), as amended, for the purposes of the medical expense tax credit.

3.3 Eligible Health Care Expenses must be incurred while the Employee is employed by the Employer.

CONDITIONS FOR REIMBURSEMENT

4.1 Employees must submit Claims for reimbursement of Eligible Health Care Expenses incurred during a Plan Year prior to the end of the Run-Off Period for that Plan Year.

4.2 The Plan must be in force and in good standing at the time Eligible Health Care Expenses are incurred by an Employee or a Dependent.

4.3 Unless otherwise prescribed by this Plan, an Employee ceases to be eligible for reimbursement of Eligible Health Care Expenses when the Employee's employment with the Employer ends, whether by termination, resignation, retirement or otherwise.

4.4 A former Employee must submit any claims for Eligible Health Care Expenses during the Run-Off Period at the End of Employment. Any claims submitted after the Run-Off Period at the End of Employment, or submitted for Eligible Health Care Expenses incurred after the Employee's employment has ended, will be denied.

REIMBURSEMENT OF ELIGIBLE HEALTH CARE EXPENSES

5.1 Any Eligible Health Care Expense balance that remains after submitting a claim to the Employee's 1stchoice group health and dental plans will automatically flow through to the Employee's HSA if there is no coordination of benefits, or where coordination of benefits is with the Plan Administrator.

5.2 Employees must submit a Claim in the form and with the supporting documentation required by the Plan Administrator when claiming Eligible Health Care Expenses:

- (a) that are not covered under the 1stchoice group health and dental plans,
- (b) for a Dependent not enrolled under the 1stchoice group health and dental plans,
- (c) when the only coverage in effect is the Plan,
- (d) when coordination of benefits exists and the coverage is adjudicated with a service provider other than the Plan Administrator, or
- (e) when the Employee has waived the automatic payment option pursuant to section 5.4.

5.3 Subject to section 5.4, HSA payments and statements are automatically issued to Employees. Within the Plan Year, payments and statements will be produced once per month if an eligible Claim is \$50.00 or higher. If an eligible Claim is between \$2.01 and \$49.99, the Claim payment will

be held until a subsequent eligible Claim is submitted, which results in a combined payment of \$50.00 or higher. Outstanding Claim payments during the Plan Year between \$2.01 and \$49.99 will be issued following the end of the Plan Year Run-Off Period. Payment is based on the Eligible Health Care Expenses and the amount of Credits available. No reimbursement will be issued for \$2.00 or less.

- 5.4 An Employee may choose to waive, in writing, the automatic payment of Claims described in section 5.3. In the event of such a waiver, the Employee will be responsible for requesting payment for Eligible Health Care Expenses from the Plan Administrator. The payment schedule and threshold amounts referred to in section 5.3 apply to any such Claims. If an Employee fails to request reimbursement during the Plan Year or within the Run-Off Period for the Plan Year, the Eligible Health Care Expenses incurred during the Plan Year will not be reimbursed. Employees may reinstate the automatic payment option, in writing, according to any rules, limitations or directives of the Plan Administrator or the Fund Administrator.

CARRY FORWARD AND FORFEITURE

- 6.1 Any unused Credits will be carried forward for one Plan Year after the year in which the Credits were allocated. Credits are used on a first in, first out basis. Therefore, the oldest Credits are used first.
- 6.2 Any Credits carried forward from the previous Plan Year and not used by the end of the Run-Off Period in the subsequent Plan Year are forfeited. Unused Credits cannot be carried forward for a second year.
- 6.3 Eligible Health Care Expenses that exceed an Employee's Credits, or that are submitted by an Employee after the Run-Off Period for the Plan Year in which they were incurred, will not be reimbursed. Eligible Health Care Expenses cannot be carried forward to a subsequent Plan Year.

TRANSFER OF EMPLOYMENT BETWEEN NON-BARGAINING UNIT AND BARGAINING UNIT

- 7.1 If a person employed as a Non-Bargaining Unit Employee becomes employed as a Bargaining Unit Employee, the person becomes ineligible for a HSA under the Plan. The person has two (2) months from the last day of the pay period in which the change of employment is entered in the payroll system to submit Claims for Eligible Health Care Expenses that were incurred while the person was employed as a Non-Bargaining Unit Employee. Any Credits remaining after this two (2) month period are forfeited.
- 7.2 If a person employed as a Bargaining Unit Employee becomes employed as a Non-Bargaining Unit Employee, the person becomes eligible for the HSA under the Plan effective the first day of the pay period following the date the change of employment is entered into the payroll system.

ADJUDICATION REVIEW

8.1 When the Plan Administrator has ruled, in relation to a person's Claim, that:

- (a)** the person is not an Employee,
- (b)** hospital or other medical care expenses claimed by the person are not Eligible Health Care Expenses, or
- (c)** a Claim is denied for any other reason in accordance with the terms and conditions of the Plan;

the person may make a written request, citing reasons for the request, for reconsideration of the person's Claim. The person may provide the Plan Administrator with documentation that the person considers relevant.

8.2 The Plan Administrator will consider any new documentation provided by the person and will conduct a review on the record without a hearing. The Plan Administrator will render a decision in writing within ninety (90) days of receiving the person's written request and documentation. The Plan Administrator will interpret the terms and conditions of the Plan in a way that best ensures the attainment of its objectives. A decision by the Plan Administrator under this section is final and binding.

8.3 The Plan Administrator may, but is not obligated to, obtain an opinion from Canada Revenue Agency to assist in the adjudication of a Claim.

CONTRIBUTIONS

9.1 Each department of the Employer will make an annual contribution to the Benefit Fund in an amount equal to the Credits allocated to the Employees for whom the department is responsible, plus an amount for expenses related to the administration of the Plan as determined in the discretion of the Fund Administrator.