

CSI Canada Insurance Plan and Trust Fund

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To: Participants and Boards Covered by Flex

From: Howard Van Mersbergen Executive Secretary-Treasurer

IN BRIEF

Health Care Spending Accounts. — These are a valuable addition to your benefits package!

How Does the HCSA Work? — Pre-tax accounts funded by the school.

What is Covered? — Pay for expenses not covered by your health or dental plan.

Grace Period. — You have extra time to submit claims.

Credit Carryover. — Unused money from one year can be used the next year.

How to Submit Your HCSA Claim. — Claim forms are conveniently located on the Manulife web site.

How to Add the HCSA Benefit for Your School. — Contact CSI to add this valuable benefit for your employees.

Contact Information for HCSA. — Important contact information for assistance.

Health Care Spending Accounts

Schools and participants in CSI's Flex plans are eligible to participate in a Health Care Spending Account (HCSA). The CSI HCSA is intended to enhance the flexibility of our plans by making it possible for participants to use benefit dollars exactly as they see fit.

In addition, your HCSA covers any family member dependent on you and considered an eligible dependant for a medical tax credit claim under the Income Tax Act at the time the expense was incurred

How Does the HCSA Work?

These accounts are pre-tax accounts set up in the names of employees, funded by the school, and administered by Manulife Financial. Schools are invoiced 1/12 of the annual amount plus a Manulife administration fee of 6.5% each month on the existing CSI Insurance Plan invoice. Employees authorize payments from the accounts for expenses that are not covered, or are only partially covered by the insurance plans. HSCAs are tax-smart because they are funded with pre-tax money, and payouts are not taxable to employees (outside of Quebec).

What is Covered?

If there is a balance after Manulife pays a health or dental claim, you may use your HCSA to pay for the difference. For example, your dental deductible and prescription drug costs can be paid from your HCSA. Vision expenses are eligible as well as chiropractic and other physician expenses. The CSI web site contains a link to the Revenue Canada Agency's list of eligible expenses. Go to www.CSIonline.org/benefits and select Canada Insurance under Links.

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Grace Period

Your HCSA has a 60-day grace period that takes effect at the end of the plan year giving you extra time to submit HCSA claims after August 31. You have the first 60 days of the new plan year to submit expenses you incurred during the previous year (using any remaining deposits from the previous year). Keep in mind that expenses incurred during the current year may also be reimbursed from previous year deposits.

If you terminate employment, you have 60 days from your termination date to submit claims for reimbursement.

Credit Carryover

After a year, if there is money remaining in your HCSA, you may still use it the following year. This is called Credit Carryover and it allows you to keep unused money in your HCSA for one extra year. Claims that are submitted in Year 2 are paid with the previous year's funds first (if available).

How to Submit Your HCSA Claim

Get the claim form from the Manulife web site at www.manulife.ca/groupbenefits by logging in to the Plan Member Secure site. Complete the Extended Health Claim form and check the HCSA box at the bottom of Section 1. Manulife is not able to release funds unless you check this box and sign the form. Submit the form with copies of any supporting receipts/documents.

The reimbursement you receive is based on the funds available in your HCSA and will be explained on the Explanation of Benefits that Manulife includes with each reimbursement.

How to Add the HCSA Benefit for Your School

Contact CSI to add the HCSA benefit to your employee benefit package. You can begin now or at September 1, 2009.



Contact Information for HCSA

For more information, go to Manulife's Plan Member Secure Site at www.manulife.ca/groupbenefits. Select Plan Member and be prepared to enter your certificate/contract number (located on your insurance card).

You may also contact the CSI Insurance Plan for more information. Contact Bonnie using the new toll-free phone number for the Employee Benefits Department at 877-274-8796, ext. 230 or by e-mail at bhofmann@CSIONline.org.