

Effective July 1, 2011

FLEXIBLE SPENDING ACCOUNT

FREQUENTLY ASKED QUESTIONS

Professional Association of Resident Physicians of Alberta (PARA)

FLEXIBLE SPENDING ACCOUNTS

How does it work for this year with the new flexible account?

For the 2011-2012 Flexible Spending Accounts year (July 1, 2011 – June 30, 2012), you will make your allocation in late August. Your \$1,000 in credits is retroactive to July 1, 2011.

When will my 2011-2012 credits be deposited?

Credits you allocate to your Health Spending or Personal Spending account are expected to be in those accounts for September 1, 2011. Credits allocated to the group RRSP will be deposited during the month of September 2011.

Do we allocate credits each year?

Yes. In future you will be allocating in late May for your next flex benefit year which begins July 1 each year.

How do I choose which accounts I want to allocate my Flexible Spending Account credits?

You will be given 2 weeks to allocate credits. In Calgary you will be asked to go to your e-people self serve during the period of August 15 to August 28. In Edmonton you will sign into Blue Cross to allocate during the period of August 12 to August 26. You will be provided with all the information necessary to do this by both mail and email. If you have any questions contact the benefits service centre listed below.

I am really busy, what if I don't have time to allocate?

You will be given a two week window to allocate your funds. If you fail to do so, all credits will revert to the Health Spending Account. You will not be able to transfer them to another account.

Where can I get information about what is covered?

Booklets are available on insite, the PARA Website or you can contact your Benefits Service Centre.

Is there a minimum amount that I have to deposit in each account?

In Edmonton, the minimum amount per account is \$25.

If I have questions who can I talk to?

Edmonton
Phone: 780-408-8799
Fax: 780-735-1599
E-mail: benefitsCH@albertahealthservices.ca

Calgary
Toll-free: 1-877-511-4455
E-mail: HRContactCentre@albertahealthservices.ca

Can I allocate money to my Flexible Spending Account through payroll deduction?

Spending Accounts can only be funded through credits. Canada Revenue Agency (CRA) dictates that Health and Personal spending accounts cannot be funded by payroll deduction. Additional RRSP' contributions however, can be purchased through payroll deduction.

Once I have made my allocation can I change my mind?

No, CRA dictates that the decisions you make for your Flexible Spending Account are irrevocable.

I didn't get a chance to make my allocation during the open window period. Can I transfer my credits from my Health Spending Account at a later date?

No.

Will my spending account credits carry over from year to year?

Yes, you are able to carry over spending account credits for one year in the same account.

I had Health Spending Account credits left over at the end of June. What will happen to them?

If you had 2009 credits left over, they forfeited. If you had 2010 credits left over, they will be carried forward in your Health Spending Account until the end of June 2012.

CLAIMS

What should I do if I have receipts for eligible expenses that were incurred between July 1 and September 1, 2011?

The new Flexible Spending Account is retroactive to July 1, 2011 so any receipts you have for that period can be submitted to Blue Cross for adjudication. Claims forms are available from the [Alberta Blue Cross member services website](#) Alberta Blue Cross plan member website.

When do I submit claims?

You may submit claims any time during the benefit year. However, Alberta Blue Cross must receive your claims within 2 months from the end of each benefit year (June 30). Claims received after that date will not be reimbursed. Refer to the Flexible Spending Account brochure in Insite for more detailed information.

HEALTH SPENDING ACCOUNT (HSA)

Can I claim expenses for my dependants using my HSA?

Yes. The CRA regulates the dependant definition for HSAs, please check directly with CRA as the definition may vary from your current dependant definition.

Will the employee portion of health and dental co-payments automatically be paid for through my HSA?

Yes, Alberta Blue Cross automatically puts the co-payment amount through your HSA unless you coordinate benefits. If you coordinate benefits please contact the Alberta Blue Cross customer service centre to update your coordination information. If do not coordinate benefits but wish to turn this feature off please complete the Request for Discretionary Payment form on InSite and return to Alberta Blue Cross.

Will I be taxed on my Employer funded Flex Credits allocated to HSA?

No. Neither the credits nor reimbursements are taxed.

PERSONAL SPENDING ACCOUNT

What is a Personal Spending Account (PSA)?

A Personal Spending Account (PSA) is a taxable spending account that reimburses you for your Wellness, Professional Development and Family Care eligible expenses.

Can I claim expenses for my dependants using my PSA?

No, the PSA is only for you to use. The one exception to this rule is if you are utilizing the family care option. In this case, the CRA outlines the definition of dependent.

Will I be taxed on my PSA credits?

Yes, you will be taxed on the Flex Credits you spend from you PSA. At the end of each calendar year, you will receive a T4A slip from Alberta Blue Cross.

GROUP RRSP

What do I use to pay for my Group RRSP?

The Group RRSP can be paid for using Flex Credits or you can add more to your account through payroll deduction.

I am really busy, what if I fail to register with Standard Life?

If you fail to register with Standard Life within 60 days, your RRSP allocation will revert to a Health Spending Account.

How do I apply for the Group RRSP?

The first step is to choose the RRSP option on the on-line allocation system during the allocation process. Once you have done this, you must register and create an account with Standard Life. Standard Life will provide you a password within 2 weeks of your registration.

Can RRSP money be transferred out to other vendors?

Yes, however, your funds are automatically sent to Standard Life. You can transfer out or withdraw your funds – up to 4 times per year without charge.

How are my contributions deposited with Standard Life?

The RRSP credit allocation will be sent in as a lump sum once a year shortly after the allocation process is complete

What is the termination age for RRSP contributions?

RRSP termination age is the end of the year that you turn 71.

Can I contribute to a spousal RRSP?

Yes, this can be set up through Standard Life.

Will I be taxed on my RRSP contributions?

Yes you will be taxed on the money that you receive for your RRSP contributions. Standard Life will send out a receipt which you can use to claim your RRSP deductions on your income tax.