

# NELSON

## **Questions and Answers:**

**Q. *I do not remember the coverage I selected last year. How do I find out?***

**A.** Your benefit selections have been loaded into the Telus Flexit360 software program. The coverage you had last year will be displayed on the Benefit Details screen.

**Q. *How do I enroll and make my selections – Is it difficult?***

**A.** The enrollment is easy and very user friendly. You have been provided with an On-line Enrollment Guide to assist you with this process.

**Q. *Once my choices are confirmed, is that it for the year?***

**A.** Yes, unless a change is required due to a life event change (see Life Event Change section in this communication), you cannot adjust your selections.

**Q. *What if I don't complete the enrollment – am I penalized?***

**A.** If you are a new employee, there is a default plan design (core coverage) that will provide a basic level of single coverage, which means you will not have access to customize your enrollment until the next enrollment. If you are re-enrolling, your coverage will default to your last year's **selection except for the Health Spending Account which will automatically be assigned to taxable cash**. You will not have access to make changes again until the next year's enrollment.

**Q. *My spouse works, so how does his/her benefit plan fit in with mine?***

**A.** This plan encourages planning between you and your spouse to establish the best overall coverage. Your selection can be changed annually to suit your needs. For instance, if your spouse has comparable coverage, you can opt out of health and/or dental and the dollars can be used for other benefits or to increase your compensation. Or, you may select family coverage and co-ordinate your coverage to be reimbursed up to 100% of the eligible expenses that you incur.

**Q. Why would I opt out of the health and dental program? At present, I have Coordination of Benefits.**

A. If you opt out of health and dental, the cost associated with these benefits may be directed to purchase other benefits or can be directed to you as taxable cash.

**Q. What happens if I decline health and/or dental coverage because my spouse has coverage through his employer then he loses his job? Do I have to wait until the next enrollment to buy coverage?**

A. If you lose coverage under your spouse's plan, you can request re-enrollment part way through the plan year as this is a life event change. You will be limited to basic health and dental coverage only and you will have no access to elective coverage for the balance of the year. You must re-enroll within 31 days of the date you lose coverage under your spouse's plan to avoid the carrier's requirement to supply evidence of good health.

**Q. When should I put money into a health care spending account – right up front or wait?**

A. We suggest that you only purchase an HCSA amount if you are absolutely certain that you will have expenses in the first twelve months.

**Q. Why would I choose to put my flex dollars into a HCSA instead of taking taxable cash?**

A. Rather than paying for health care expenses with your own after-tax dollars, the HCSA allows you to use Nelson's before tax credits.

**Q. Can I claim for the balance of the expense of the basic health and/or dental claim under my HCSA account?**

A. Yes. Items not paid in full under the basic health and/or dental plan can be paid under your elective account. Any expense eligible under the Income Tax Act up to your elected account maximum is eligible under the HCSA.

**Q. Can I claim for my spouse's expenses that weren't covered under his/her insurance plan under my HCSA account?**

A. Yes. Any expenses not covered under your spouse's plan that are eligible under the Income Tax Act can be paid under your elective account.

**Q. I do not understand the phrase "use it or lose it". If I choose, for example, \$1,500 and only spend \$1,000, what happens?**

- A.** Your flex plan is an expense carry forward plan, which means you may submit claims you incurred in the previous year under a HCSA that you have elected this year. If you choose an HCSA, but do not spend it all, you do not receive the balance as a refund. Consequently, you must use the value of the option you have chosen or lose the balance. Because the plan allows you to carry forward expenses for one year, you may wish to carry forward unclaimed expenses into the next year rather than risk losing any unclaimed balances.

Although you can carry forward HSA claim expenses for payment in the following benefit year, you can do so only if you had credits allocated to your account when you incurred the expenses. If there were no credits allocated to your HSA for the benefit year the expense was incurred the claim will be declined.

- Q.** *I elected an HCSA in 2021. How long do I have to submit my claims before I lose access to my 2021 HCSA?*

- A.** In order for you to receive benefits, Sun Life must receive the claim no later than 90 days after the end of the benefit year (March 31<sup>st</sup>).