



ALBERTA

Public Service Commission  
Office of the Minister



**Ministerial Order  
No. 02/2019**

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**MINISTERIAL ORDER No. 02/2019**

**PUBLIC SERVICE COMMISSION  
PROVINCE OF ALBERTA**

*Master Agreement effective November 4, 2018*

***Public Service Health Spending Account Plan Ministerial Order 02/2019***

I Joe Ceci, President of Treasury Board, Minister of Finance, pursuant to Letter of Understanding #7 – Health Spending Account of the Master Agreement effective November 4, 2018, hereby amend the Public Service Health Spending Account Plan Ministerial Order 02/2019 as set out in the attached Appendix.

DATED this 5<sup>th</sup> day of March, 2019.

  
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Joe Ceci  
President of Treasury Board, Minister of Finance

## Appendix 1

### PROVINCE OF ALBERTA PUBLIC SERVICE HEALTH SPENDING ACCOUNT PLAN

#### NAME AND DESCRIPTION OF THE PLAN

1(1) The Plan contained herein shall be called the Public Service Health Spending Account Plan, hereinafter referred to as the "Plan".

(2) The Plan consists of an annual credit allotment provided by the Employer to each Eligible Employee who may use the allotment to cover Eligible Health Care Expenses up to the amount of the allotment.

(3) The Plan comes into effect April 1, 2012.

#### INTERPRETATION

2(1) In this Plan,

"Applicable Benefit Plan" means:

- a) In the case of a Non-Bargaining Unit Employee, the 1st Choice group health and dental plan;
- or
- b) In the case of a Bargaining Unit Employee, the MyChoice group health and dental plan.

"Bargaining Unit Employees" means employees to whom the Public Service Act applies and who, as of September 1, 2012 are designated to be represented by the Alberta Union of Provincial Employees ("AUPE") under the Collective Agreement Between The Government of Alberta and AUPE, dated May 17, 2011, as amended from time to time.

"Credits" means the annual credit allotments described in 4(1) and (2).

"Eligible Dependents" means eligible dependents as defined, from time to time, under the Income Tax Act (Canada) for the purposes of claiming the medical expense tax credit on the Eligible Employee's personal income tax return.

"Eligible Employee" or "Employee" means:

- a) Non-Bargaining Unit Employees ; and
- b) Bargaining Unit Employees.

"Eligible Health Care Expenses" or "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) 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.

“Employer” means the Crown in right of the Province of Alberta.

“Fiscal Year” means April 1 to March 31.

“Fund Administrator” means the fund administrator of the Health Spending Account Benefit Fund established under Alberta Treasury Board Directive # 02/2012.

“HSA” or “Plan” means the Health Spending Account Plan for Employees.

“Non-Bargaining Unit Employees” means employees who as of September 1, 2012 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 Administrator” means Alberta Blue Cross.

“Run-Off Period” means 2 months following:

- (a) Cessation of employment, whether by termination, resignation, retirement or otherwise of an Eligible Employee; or
- (b) The end of the Fiscal Year for an Eligible Employee.

#### **APPLICATION**

3(1) Eligible Employees may utilize their annual credit allotment for reimbursement of Eligible Health Care Expenses that they have incurred while employed during the Fiscal Year.

#### **EMPLOYEE COVERAGE**

4(1) Each Non-Bargaining Unit Employee shall receive a credit allotment in the amount of \$950 on April 1st of each year commencing April 1, 2012 or their date of hire if after April 1, 2012 which may be used to reimburse the Employee’s Eligible Health Care Expenses incurred during the Fiscal Year.

(2) Each Bargaining Unit Employee shall receive a credit allotment in the amount of \$750 on April 1st of each year commencing April 1, 2012 or their date of hire if after April 1, 2012 which may be used to reimburse the Employee’s Eligible Health Care Expenses incurred during the Fiscal Year.

(3) Effective April 1, 2019, the credit allotment amount referred to in subsection (2) shall increase to \$900.

(4) The Credits are not prorated for part-time or temporary Eligible Employees.

(5) Eligible Health Care Expenses must be incurred during the Employee's period of employment.

#### **FAMILY AND DEPENDENT COVERAGE**

5(1) The HSA will cover expenses for dependents listed under an Eligible Employee's Applicable Benefit Plan. Eligible Employees may also claim reimbursements for other dependents defined under section 118(6) of the Income Tax Act (Canada) for the purposes of the medical expense tax credit as may be amended.

#### **CONDITIONS FOR OBTAINING REIMBURSEMENT**

6(1) Only Eligible Employees who incur Eligible Health Care Expenses while employed may be reimbursed under this Plan. Claims must be submitted for reimbursement prior to the end of the Run-Off Period.

(2) This Plan must be in force and in good standing at the time Eligible Health Care Expenses are incurred by an Employee.

(3) For the fiscal year 2012/2013, Eligible Employees may submit claims for Eligible Health Care Expenses no earlier than September 1, 2012.

(4) Unless otherwise prescribed by this Plan, an Eligible Employee ceases to be eligible for reimbursement of Eligible Health Care Expenses under this Plan upon cessation of employment whether by termination, resignation, retirement or otherwise. A former Eligible Employee must submit any claims for Eligible Health Care Expenses during the Run-Off Period. Any claims submitted after the Run-Off Period, or submitted for Expenses incurred after cessation of employment will be denied.

#### **REIMBURSEMENT OF ELIGIBLE HEALTH CARE EXPENSES**

7(1) From September 1, 2012 onward, any Eligible Health Care Expense balance that remains after submitting a claim to the Eligible Employee's Applicable Benefit Plan will automatically flow through to the Employee's HSA in the case where no coordination of benefits ("COB") exist, or where COB is with the Plan Administrator.

(2) Eligible Employees must submit a HSA claim form and supporting documentation determined by the Plan Administrator when claiming for an Eligible Health Care Expense,

- that is not covered under the Applicable Benefit Plan,
- for a dependent not enrolled under the Applicable Benefit Plan,
- when the only coverage in effect is the HSA,
- when COB exists and the coverage is adjudicated with a service provider other than the Plan Administrator,

- when the Eligible Employee has waived the automatic payment option pursuant to ss.(4), or that was incurred from April 1 to August 31, 2012.

(3) Subject to ss.(4) below, HSA payments and statements are automatically issued to Eligible Employees. Within the Fiscal Year, payments and statements will be produced once per month if the eligible claim is \$50.00 or higher. If the 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 Fiscal Year between \$2.01 and \$49.99 will be issued following the end of the Fiscal Year Run-Off Period. Payment is based on the Expenses and amount of Credits available. No reimbursement will be issued for \$2.00 or less.

(4) In the event an Eligible Employee has chosen, in writing, to waive the automatic payment of claims, 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 ss.(3) above apply to any such claims. If an Eligible Employee fails to request reimbursement during the Fiscal Year or within the Run-Off Period, any unused Credits will be forfeited. Eligible 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 OF AND FORFEITURE OF HSA CREDIT ALLOTMENT AND EXPENSES**

8(1) Any unused Credits will be carried forward for one Fiscal Year after the year in which the Credits were allocated. Credits are reimbursed on a first in, first out basis. Therefore, the oldest Credits are used first.

(2) Any Credits that were carried forward from the previous Fiscal Year and are not used by the end of the Run-Off Period in the subsequent Fiscal Year are forfeited. Unused Credits cannot be carried forward a second year.

(3) Eligible Health Care Expenses that exceed the yearly credit allotment for an Eligible Employee or that are submitted beyond the Run-Off Period are forfeited. Expenses do not carry forward.

#### **TRANSFER, DEMOTION, PROMOTION OR RECLASSIFICATION OF POSITION FROM ONE HSA GROUP TO ANOTHER**

9(1) When an Eligible Employee changes status from a Non-Bargaining Unit Employee to a Bargaining Unit Employee or vice versa, the Employee becomes ineligible for the HSA under the Employee's original status and that HSA ceases. The Employee has 2 months from the last day of the pay period in which the change of status is entered in the payroll system to submit claims for Eligible Health Care Expenses that were incurred while employed under the Employee's original status. The Employee becomes eligible for the new HSA on the first day of the pay period following the date that the change in status was originally entered into the payroll system. The effective date of the HSA will not be implemented

retroactively.

### **ADJUDICATION REVIEW**

10(1) When the Plan Administrator has ruled, in relation to a person's HSA claim, that:

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

the person may request in writing with reasons, a reconsideration of the person's claim. The person may provide the Plan Administrator with documentation that the person considers relevant.

(2) The Plan Administrator shall consider any new documentation provided by the person and shall conduct a review on the record, without a hearing and render a decision in writing within 90 days. The Plan Administrator shall interpret the terms and provisions of this Plan in a way that best ensures the attainment of its objects. A decision by the Plan Administrator under this subsection shall be final and binding.

(3) The Plan Administrator may, but is not obligated to obtain any opinion from Canada Revenue Agency to assist in the adjudication of a claim.

11. Singular/Plural: In this Plan, words in the singular include the plural and words in the plural include the singular.

12. General Authority: The Fund Administrator may perform or prescribe administrative functions through policies, directives or otherwise, that the Fund Administrator deems necessary for the proper administration and carrying out of this Plan, including but limited to establishing one or more advisory committees on matters arising in connection with the Plan. The Fund Administrator may in writing delegate to any person any power, duty or function of the Fund Administrator under the Plan.

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