

WHAT IS A HEALTH SPENDING ACCOUNT?

A Health Spending Account (HSA) is offered by employers and administered by the Alberta School Employee Benefit Plan (ASEBP).

Essentially, your HSA works like a bank account. Your employer will deposit money in the form of credits into your HSA. The amount of credits you receive is determined by your employer. You can use these credits to pay for eligible health-related expenses for you or your eligible dependants. Expenses may qualify for HSA if they are considered eligible as an individual medical expense tax credit under the *Income Tax Act (Canada)* 118.2(1). This makes your HSA a flexible complement to your regular ASEBP benefits. It also provides you with a tax advantage because HSAs use tax-free dollars to pay eligible expenses.

If you are unsure if you have an HSA, please refer to your ASEBP ID card, the [Coverage section of your My ASEBP account](#) or contact your employer or an ASEBP Benefit Specialist.

WHAT BENEFIT DOES AN HSA OFFER OVER MY REGULAR ASEBP BENEFITS?

Your HSA provides additional funds to support your overall health and well-being. It's meant to complement your Extended Health Care (EHC), Vision Care and Dental Care benefits and reimburses you for a wide range of health-related expenses over and above what are covered by the rest of your plan. The majority of medical expenses that qualify for EHC, Vision and Dental qualify for HSA.

For example, your daughter requires orthodontic services which will cost \$4,000. You have Dental Plan 3 with ASEBP, an HSA with a balance of \$800 and are also covered by your spouse's dental coverage. All costs associated with your orthodontic services may be covered through a combination of your EHC benefits and your HSA (depending on the amount of HSA credits you have). Here's how you can maximize your reimbursement amount:

	Plan	Submitted	Paid	Remaining
Step 1	Your ASEBP coverage	\$4,000	\$2,400	\$1,600
Step 2	Spouse's coverage	\$1,600	\$1,000	\$600
Step 3	Your HSA	\$600	\$600	\$0

Your HSA will have \$200 in remaining credits.

In addition to complementing the benefits you have, an HSA can also assist with health-related costs associated with coverage you don't have. For example, if your employer doesn't offer Vision Care coverage, but does offer an HSA, you can use your HSA to help cover costs associated with maintaining your vision health, such as eye exams, glasses or contact lenses.

Your HSA can also be used to reimburse you for EHC, Vision and Dental benefit premiums. If your employer doesn't cover premiums for your ASEBP benefits or you take a personal leave of absence and are required to pay your own premiums, you can submit these premium amounts to your HSA for reimbursement (some restrictions apply for leaves, please see the [Health Spending Account Guide](#) for more details).

The additional and flexible funds your HSA provides makes it an invaluable resource to add to your healthy living toolkit.

