

## 2018 Flex Credits for PMA-Eligible Staff Members

### Making the best use of your Health Care Spending Account and your Professional Expense Reimbursement Account

In addition to many other benefits, Western provides Professional and Managerial Association (PMA) eligible members with two accounts that can be used to cover a wide variety of expenses. It also offers “Flex Credits” – funds to be allocated into either of the two accounts. Here are the two accounts, and an explanation of Flex Credits.

- The **Health Care Spending Account (HCSA)** can be used to pay for many medical and dental expenses that are not covered or only partially covered by your Extended Health and Dental plans. Your base Health Care Spending Account for 2018 is \$200 for individuals with single health coverage and \$325 for those with family coverage.
- The **Professional Expense Reimbursement Account (PER)** can be used to pay for professional expenses including conference registrations, travel and accommodation, membership fees for professional and/or learned societies, journal subscriptions, to purchase a computer or software, and for other expenses. (See end of this document for a list of eligible expenses and restrictions). There is no base amount for the PER.

In addition to a base amount in your HCSA, as outlined above, you are provided with \$1,200 in Flex Credits to be allocated (in \$100 increments) to your HCSA and your PER.

**The deadline to allocate your \$1,200 Flex Credit allocation for the 2018 calendar year is November 30, 2017.** You can allocate [online](#) until November 22, 2017 and via the [Flex Credit Allocation Form](#) until November 30, 2017. If you do not actively choose where your Flex Credits will go, the entire \$1,200 will be designated to the PER by default.

The following table shows the funds available to PMA members, and the default assignment of funds used when an individual makes no Flex Credits allocation.

#### **Default Position** (Member makes no allocation of Flex Credits)

	<b>Individual</b>	<b>Family</b>
HCSA base	\$200	\$325
HCSA flex credits (default allocation)	\$0	\$0
<b>HCSA Total</b>	<b>\$200</b>	<b>\$325</b>
PER base	\$0	\$0
PER flex credits (default allocation)	\$1,200	\$1,200
<b>PER Total</b>	<b>\$1,200</b>	<b>\$1,200</b>

You can see that a PMA-eligible member with individual coverage in the default position will have a total of \$1,400 in benefits from the two accounts - \$200 in the HCSA and \$1,200 in the PER. A member with family coverage will have \$1,525 in total (\$325 HCSA and \$1,200 PER).

## **What is the right Flex Credit allocation decision for you?**

In November 2017 and each year, you will be asked to make a decision about your Flex Credit allocations for the following year. Here are some things to consider:

### *Do you expect to have higher professional costs in the next calendar year?*

You may anticipate the need for a new computer or software, or you have plans to attend a major conference in the coming year and will incur expenses for registration, travel and accommodation. If so, you may wish to allocate more or all of your Flex Credits to your Professional Expense Reimbursement Account.

### *Do you foresee higher medical/dental expenses?*

Sometimes you are able to anticipate upcoming medical or dental expenses for the next calendar year. If your child requires orthodontic work, or you have an injury that requires ongoing physiotherapy or massage therapy, you may choose to allocate some or all of your Flex Credits to your Health Care Spending Account. Your HCSA can be used to claim for expenses above the dollar maximum for benefits such as vision care, drug dispensing fees, and to pay for the 15% co-insurance costs you may pay on some dental and medical expenses.

## **Making your Choice**

A notice will be sent to you in November each year, letting you know it is time to make your Flex Credit allocation for the following year. At that time, you may sign into [My Human Resources](#) prior to the deadline, and make your allocations.

## **Carry Forward Provisions of PER**

Unspent Professional Expense Reimbursement allocations from 2016 may be carried forward to 2017 and 2018, but not beyond. In all subsequent years, a similar two year carry forward of allocations will apply, regardless of the PMA agreement expiry date. Please note that while the credits may be carried forward, claims for any given year must be submitted by March 31st of the following year.

## **Carry Forward Provisions of HCSA**

Unused credits in your HCSA will be carried forward and added to credits for the following calendar year. At the end of the second calendar year, tax laws require that any credits remaining from the previous year be forfeited.

## **Checking your Balances**

To see your current balance in your PER, go to the Finance website at <http://uwo.ca/finance/>. Navigate to Corporate Accounting → Professional Expense Reimbursement and click on the link "Professional Expense Reimbursement Balance". You will need to use your Western user ID and password at the prompt to log on. You will see any carry forward from the previous year, your entitlement this year, any claims you have made in the current year, as well as the current balance in the account.

To see the current balance in your Health Care Spending Account, visit the Manulife Financial website and sign in - [Manulife Financial](#). Once logged in, click on "My Benefits", then the link that says HCSA Balance. You will see amount deposited in current year, claims paid, and your current balance.

## **Submitting an HCSA Claim**

To submit a health or dental claim to your HCSA, complete a [Manulife Financial Health Care](#)

[Spending Account Claim form](#). This is the same form you use to seek reimbursement for those items covered under your regular Manulife Financial health and dental care plans.

Here are a few tips:

- You may submit claims at any time in the year, but all claims must be received by Manulife no later than March 31st of the year following the year in which the expenses have been incurred (i.e. March 31, 2018 for expenses incurred in 2017).
- Before making claims under your HCSA, you are required to make claims under your regular benefits program – the Extended Health and Dental plans. You will see a box you can check that says “Check here to use your Health Care Spending Account (HCSA) to reimburse any unpaid portion of this claim”.
- You should also co-ordinate any available coverage from a spouse’s health or dental plan before using your HCSA credits to take advantage of the maximum coverage available to you.

### **Submitting a PER Claim**

The quickest way to obtain reimbursement for your PER claim is to submit an online claim form. The following links provide step-by-step instructions on how to submit a PER claim online:

- [Instructions for submitting a PER claim online](#)
- [Video on how to create an online Professional Expense Claim](#)

Once you’ve submitted the claim online, print the PER cover page and forward along with your original receipts to your supervisor. Once that individual provides an approval online, forward the PER cover page, along with original receipts, to Financial Services, Room 6100, Support Services Building.

When the cover page and receipts are received by Financial Services, your claim will be processed and funds will be directly deposited to your bank account. You will receive an e-mail notification to your @uwo email address when this transaction has occurred.

You can also continue to submit a paper claim for your PER by following the instructions below.

1. Download a copy of the applicable form from the [Financial Services Forms page](#), found under the heading Professional Development/Expense.
2. Complete, sign and submit the form and receipts to your supervisor for approval. Once the claim form is signed return the form, along with original receipts to Financial Services, Room 6100, Support Services Building. Claims will be processed as soon as possible and directly deposited to your bank account. You will receive an e-mail notification to your @uwo email address when this transaction has occurred.

### **Eligible Expenses and Conditions**

The HCSA, the PER and the Flex Credits are all non-taxable benefits to you, however there are some limitations imposed by the Income Tax Act and the Canada Revenue Agency (CRA) including carry-over and other provisions.

**Flex Credits Condition:** The allocation of flex credits must be made in advance of the calendar year in which the expenses are expected to be incurred.

**HCSA Eligible Expenses:** The Canada Revenue Agency governs the expenses that can be claimed using your HCSA, as they are the same expenses that can be claimed for the medical expense tax credit on your income tax return. A list of eligible expenses can be found [on the CRA website](#). Note that if you receive HCSA reimbursement for an expense, you cannot also claim the CRA medical expense tax credit for the same expense.

**PER Eligible Expenses:** The following expenses incurred by staff members are eligible for reimbursement if the expense relates to the staff member's role at Western.

- Memberships in professional associations (excluding PMA memberships);
- Registrations to conferences;
- Course tuition (may be covered under Education Assistance Policy 6.9, please consult Human Resources);
- Computer software and equipment (related to the staff member's work);
- Travel expenses related to professional development (transportation, accommodation, meals);
- Subscriptions – (excluding newspapers), journals, books related directly to the individual's role at Western;
- Supplies (related to the staff member's work) – ink cartridges, course textbooks, Internet access, etc.;
- Equipment – computers, printers, scanners, monitors, electronic organizers, upgrades of Western owned equipment.

**Note:** Equipment is eligible and remains the property of Western University. The equipment must be used primarily for work purposes. Personal use of equipment should be incidental, less than 10%. The reimbursement must purchase the equipment outright. There can be no financial contribution from the Member. Upgrades to personal computers are not eligible. Upgrades to University-owned computers are acceptable. Furniture is not eligible. Equipment receipts can only be submitted when there are sufficient funds in the Member's PER account to cover the full cost of the equipment.

Want more information? You may find what you're looking for in our [FAQ](#).