



Health Care Spending Account - Addendum

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| Name of Employer: |
| Effective Date: |

Plan Features

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| Coverage <ul style="list-style-type: none"> Benaccount®, <u>including</u> fully insured catastrophic coverage HCSA <u>only</u> | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No HCSA to cover: <input type="checkbox"/> EHC & Dental <input type="checkbox"/> EHC Only <input type="checkbox"/> Dental Only HCSA Funding Method: <input type="checkbox"/> Flat Contribution (complete section I) <input type="checkbox"/> Percentage of Earnings (complete section II) |
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Section I- Flat Contribution

| | | Single | Couple | Family |
|---|--------------------------|----------|----------|----------|
| Class A: <input type="checkbox"/> All Employees or _____ | \$ per Employee per year | \$ _____ | \$ _____ | \$ _____ |
| Class B: _____ | \$ per Employee per year | \$ _____ | \$ _____ | \$ _____ |
| Class C: _____ | \$ per Employee per year | \$ _____ | \$ _____ | \$ _____ |

Section II- Percentage of Earnings

| | | Single | Couple | Family |
|---|-------------------------------|----------|----------|----------|
| Class A: <input type="checkbox"/> All Employees or _____ | % of Employee salary per year | _____ % | _____ % | _____ % |
| | Minimum Benefit (per year) | \$ _____ | \$ _____ | \$ _____ |
| | Maximum Benefit (per year) | \$ _____ | \$ _____ | \$ _____ |
| Class B: _____ | % of Employee salary per year | _____ % | _____ % | _____ % |
| | Minimum Benefit (per year) | \$ _____ | \$ _____ | \$ _____ |
| | Maximum Benefit (per year) | \$ _____ | \$ _____ | \$ _____ |
| Class C: _____ | % of Employee salary per year | _____ % | _____ % | _____ % |
| | Minimum Benefit (per year) | \$ _____ | \$ _____ | \$ _____ |
| | Maximum Benefit (per year) | \$ _____ | \$ _____ | \$ _____ |

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| Allocation of HCSA Dollars <ul style="list-style-type: none"> An employer can control how much money is used by employees by selecting one of the following options: The HCSA Benefit Year is January 1 to December 31. The HCSA Contribution Amount will be pro-rated based on the effective date of the plan. Please check the box if you do not want the first year contribution to be pro-rated. Please note that BBD bills monthly in arrears | <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annually <input type="checkbox"/> Annually <input type="checkbox"/> Do <u>not</u> pro-rate the first year contribution |
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| Grace Period <ul style="list-style-type: none"> The grace period is the time in which a terminated employee must submit claims that were incurred while still covered under the plan. It is <u>also</u> the time period in which covered employees must submit claims from the prior year for reimbursement. BBD's standard grace period is 90 days. | <input type="checkbox"/> Other: _____ |
|--|---------------------------------------|



Health Care Spending Account Agreement

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| <p>Rolling Type</p> <ul style="list-style-type: none"> The unused portion of contributions made in one Benefit Year can be rolled over to the next Benefit Year The unpaid portion of a claim incurred in one Benefit Year can be rolled over to the next Benefit Year All outstanding contributions / claims will be forfeited at the end of the Benefit Year | <p><input type="checkbox"/> Rolling Contributions</p> <p><input type="checkbox"/> Rolling Claims</p> <p><input type="checkbox"/> None</p> |
| <p>Auto-Coordination</p> <ul style="list-style-type: none"> Eligible health and dental expenses not covered through the insured EHC/Dental plan (if applicable) are automatically reimbursed through the HCSA. BBD's standard is to have Auto-Coordination enabled. Employees not wanting expenses to be automatically reimbursed through the HCSA can contact Green Shield Canada to request auto-coordination be turned off. | <p><input type="checkbox"/> Auto-Coordination</p> <p><input type="checkbox"/> No Auto-Coordination</p> |

The Client agrees to the terms and conditions as set out in the Master Agreement between BBD and Green Shield Canada (for Health Care Spending Accounts (HCSA)).

BBD is contracted in the administration and adjudication of cash flow healthcare benefits for the employer and its eligible employees and dependents.

The Client recognizes that this agreement is for Administrative Services ONLY and in no way should be considered "insurance". Its purpose is to lower expenses over and above the employer's claims. The costs of all claims plus administrative expenses are the responsibility of the employer. Please note that insured benefits are addressed in other portions of the *Benepac*® Employer Application for Group Insurance.

A "claim" means the amount of money claimed by a participating Practitioner or an Eligible Member for health services covered by the plan (see plan design).

A "contestable claim" means a claim in respect of which the claim procedure or eligibility is subject to determination.

The Client shall pay to BBD in the manner provided in the Addendum the amount of all claims paid to the participating Practitioner or eligible employees for health services provided to eligible members plus an administration fee of 9%, exclusive of the Advisor commission. Applicable taxes will also be added.

A security deposit of 2 months of anticipated claims (3 months if not on PAC) plus administration fees and applicable taxes is required. This is a security deposit which is held by BBD and not applied to any HCSA claims paid. It is fully refunded if the HCSA arrangement is discontinued.

Payments are due on the 1st of each month.

Should the employer fail to pay when due any amount payable to BBD under this agreement, the employer shall pay interest on all the amounts past due at a rate of 1% per month from the date of default until payment. It should also be noted that claim payments may be suspended until such time as late payments and interest are paid to BBD.

Authorized Signature of Employer

Date

Witness Signature

Date

Name and Title of Authorized Signing Officer

Signature of Licensed Insurance Advisor

Date