This year, you get to choose!

On January 1, 2013, eligible staff members received allocations of $1,000 for the Health Spending Account (HSA) and $250 for the Personal Spending Account (PSA).

Effective January 1, 2014, eligible staff members will receive a total allocation of $1,250 to be divided between the health spending account and the personal spending account. You get to decide the amount you want to put in each of your accounts. If you don’t make a choice, your selection will default to $1,000 for the HSA and $250 for the PSA (the same as last year).

These spending accounts are like bank accounts that can be used to pay for expenses related to health and wellness. The health spending account can be used for medical and dental expenses that are not paid by your University benefit plans and for expenses that are eligible for the medical tax credit on your income tax. The personal spending account can be used for certain wellness, fitness, work life balance and personal development related expenses as specified by the plan.

If you haven’t used your 2013 health spending account allocation by the end of this year, you carry forward the balance for one year. If you haven’t used your 2013 personal spending account allocation by the end of this year, you forfeit the balance. You have until March 31, 2014 to submit spending account expenses you incurred in 2013.

You can check your spending account balances by logging on to the Sun Life member services website at www.sunlife.ca/member. You will need your access ID and password.

Things to consider

- Review the expenses that you claimed in 2013, and take into account any remaining allocation amounts you have in 2013 when you decide how you want to divide up the $1,250 for 2014.
- Review the types of eligible expenses that are allowed by each of the plans and consider what expenses you expect to have in the coming year.
- Health spending account reimbursements are not taxable and are a more tax effective choice, as long as you can spend them within the next two years.
- You will pay income tax on personal spending account reimbursements when you file your tax return for that year. With a wider variety of eligible expenses for the personal spending account, it may be easier to use all of these allocations by the end of the year.

Making your allocations

- You must make your spending account allocations online between October 15, 2013 and midnight on November 15, 2013.
- An email with the link to the spending account allocation website will be sent to your University of Alberta email account. If you need help to access this email account, call the AICT Help Desk at 2-9400.
- After you have submitted your choice, you will be able to go back and change it as needed until the spending account allocation website closes at midnight on November 15, 2013.
- You will receive a confirmation by email each time you submit your selection.
- The deadline of November 15 is necessary to ensure your allocations are in place for January 1, 2014.

For More Information

See the HRS website spending account pages for more details, including lists of eligible expenses:

- Health Spending Account: www.hrs.ualberta.ca/Benefits/HealthDental/Supplementary/Support/HSA.aspx
- Personal Spending Account: www.hrs.ualberta.ca/Benefits/HealthDental/Supplementary/Support/PSA.aspx

If you have questions, contact Pension & Benefit Advisory Services, 780-492-4555, benefits@ualberta.ca