

If you are a proprietor of a small unincorporated business, according to Canada Revenue Agency requirements you MUST include 'an element of risk'. Therefore, the Emergency Travel Medical / Catastrophic Claim protection must be included (see item 7).

### **1. How often do I have to contribute to the plan?**

You have control over contribution frequency. You can send in a deposit monthly, bi-monthly, quarterly, semi-annually or annually. In addition, you can remit funds on an 'as needed' basis. However, as you are the sole employee of the business, the preferred method is to have myFLEXplan automatically debit your business account for all claims and fees, then have the reimbursement payments made directly to your personal bank account by direct deposit.

### **2. How much do I have to contribute?**

You have complete control over the amount of benefit entitlement. However, we caution you that the amount must be reasonable in view of the total compensation you receive from your business.

### **3. How much does it cost?**

There is a one time set-up fee of \$200 for the company. There is NO ADDITIONAL cost to enroll as an employee; nor is there any annual administration fee. The only other fees are based upon any claim payments made. Please see our current fee guide for all pricing.

### **4. Can unused contributions be carried over?**

Yes, at the end of a 'benefit year' if you have not used all of your available contributions, they may be carried over for one additional year. At the end of the second year, for those first year contributions that were carried over the funds can be left on deposit in the company's account to be used for future years.

### **5. Can we claim medical expenses from before we started the plan?**

Yes, CCRA rules allow you to claim medical expenses incurred before the plan was established. You may go back to January 1<sup>st</sup> in the previous calendar year or the beginning of the previous benefit year, whichever is later. This is something that you would normally restrict to owners or key management personnel. However, it may be offered to any employee.

### **6. What types of expenses are covered?**

An employee may use the myFLEXplan account for any medical expenses that are allowable under the income tax act. This is a very wide range of uses and will include many items that are not typically allowed under a normal group benefits plan. It may NOT be used for life insurance or disability insurance premiums, nor may it be used for business or educational expenses. Only medical-related expenses may be claimed. Use of funds for any other reason may invalidate the deductibility of even medical expenses.

### **7. Can we get additional benefits?**

Yes, you can provide complete Emergency Travel Medical protection which will protect the employee for all out-of-country trips. In addition, this coverage includes Catastrophic Claim protection. Please refer to the separate documentation on this benefit.

### **8. How are claims reimbursed?**

When an employee makes a claim it should be sent directly to TOLCO Financial Strategies for processing. The claim is normally adjudicated within 3 business days of being received. Payment is made in one of three ways:

- The employee can complete a direct deposit request form and have the funds deposited directly to their bank account. This is the preferred and fastest method. Direct deposits are made every Friday.
- A cheque will be issued (on a monthly basis) and sent directly to the employee. There may be additional charges for this service..

## **9. What kind of Internet access do I have?**

You are automatically assigned an Administrator ID and password. This can be used to logon to [www.myhrmgr.com](http://www.myhrmgr.com) for a variety of Administrator functions:

- Change enrollment information
- Update business banking information
- Display and print a variety of pal accounting reports

As well, you will be issued an Employee ID, Employee UserID and password. These permit you access to certain update and inquiry functions that are available:

- Update address, dependants and banking information.
- Current benefit allowance, amounts carried forward, used this year and remaining.
- List all claims and payments made.
- Print an Explanation of Benefits for any claim submitted.

## **10. What do we need to start the plan?**

You must complete the Self-Employed Application form and include a cheque for the \$200 set-up fee. These should be sent to your referring advisor or directly TOLCO Financial Strategies Inc.

### **For more information, call:**



TOLCO Financial Strategies  
4400 Parkwood Terrace  
Victoria, BC V8X 4Z8  
778-433-1020