



Health Spending Account (HSA) Guide

A benefits program for Government of Alberta managers
and non-union employees

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The logo for the Government of Alberta, featuring the word "Alberta" in a stylized, cursive script font, followed by a small square icon.

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Health Spending Account - a valuable addition to your benefits

The Government of Alberta provides you with a Health Spending Account (HSA) to supplement your coverage under the **1stchoice** group benefits program. The HSA is a *non-taxable benefit* that helps you pay for health and dental expenses that are either partially covered or not covered by your group benefits program.

Use this guide to learn about your HSA – how it works, which expenses are eligible, and how to get reimbursed for your expenses. There are also examples describing popular uses for an HSA, as well as definitions of common HSA terms (indicated in italics) and contact information.

What is the Health Spending Account (HSA)?

The HSA is a non-taxable benefit that can be used to pay for eligible health and dental expenses that:

- exceed the coverage limits under your **1stchoice** group benefits program; or
- are not covered under your **1stchoice** group benefits program but are allowed by the Canada Revenue Agency (CRA).

The Government of Alberta makes an annual contribution to your HSA. This contribution is referred to as a credit. You can use the HSA to pay for your expenses and/or expenses for your eligible dependents.

Note: Use your HSA to pay for a wide range of eligible expenses – from laser eye surgery, heart monitors, the balance of a dental claim or your portion of the health and enhanced dental premiums.

Who's eligible?

If you are eligible to participate in the **1stchoice** group benefits program, you are eligible for the HSA, even if you have opted out of any plan under the program.

How much is my HSA and when does it start?

The HSA *year* runs from April 1 to March 31. *Credits* are available in your HSA each April 1.

Each HSA year, the Government of Alberta will contribute \$1,200 to your HSA. If you are a full-time, part-time or temporary salaried employee, you'll receive the same amount of credits noted above. If you are a new employee, you'll receive the same amount of HSA credits on the date you were hired. Only expenses incurred during your period of employment are eligible for reimbursement.

The HSA is a tax-free benefit

The HSA is a *non-taxable benefit*, which means any reimbursement you receive is tax-free. By using your HSA for eligible expenses, your dollar goes much farther. With the HSA, you have the buying power of a full dollar and no tax implications.

Eligible and ineligible expenses

Eligible expenses include:

- Expenses that exceed the coverage limits under your **1stchoice** group benefits program
- Expenses that are not covered under your **1stchoice** group benefits program but are allowed by the Canada Revenue Agency (CRA).

In general, health and dental expenses are eligible for reimbursement under the HSA if they qualify as a medical expense tax credit under the [Income Tax Act](#).

The CRA determines the types of medical-related expenses that are covered by your HSA and Alberta Blue Cross adjudicates them for you.

Typical eligible expenses include:

- Chiropractic treatments
- Prescription eye glasses and contacts
- Laser eye surgery
- Acupuncture therapy
- A variety of medical devices, services and supplies
- Vaccines (prescription required)
- Premiums paid by you or your spouse or benefit partner (if applicable) for private health and dental care benefits.

For more information about what can be claimed under the HSA, visit the CRA's website on a regular basis as their list of eligible expenses may be updated at any time. Visit www.cra-arc.gc.ca/medical/

Examples of ineligible HSA expenses:

- Premiums for life insurance and accidental death and dismemberment insurance
- Spa treatments
- Herbal remedies and supplements
- Gym memberships, health and fitness classes or memberships.

Claim procedures

Alberta Blue Cross adjudicates the HSA and coordinates coverage with your **1stchoice** health and dental plans. If a Physician's Written Order is required under your **1stchoice** extended medical benefits, the same criteria apply to your HSA. Please refer to your [1stchoice handbook](#) for more information.

There are several ways to submit your HSA claim depending on the type of claim and whether or not you or your dependents have coverage under another benefit plan. To ensure you and your dependents are taking full advantage of your benefit plans, see the 'Coordination of Benefits' section.

The most common types of claims include:

1. Health or dental claims submitted through your 1stchoice benefit plans

Any unpaid balance that remains after you have received your payment under the **1stchoice** group benefits plan will automatically flow through to your HSA, if you:

- don't have coverage through another benefits plan; or
- you have coverage under another benefits plan and Alberta Blue Cross is the claims adjudicator for both plans.

In these instances, you will not be required to submit a claim to your HSA. Alberta Blue Cross will automatically coordinate your claims for you. If you are covered under another benefits plan, and both plans are not adjudicated through Alberta Blue Cross, see the 'Coordination of Benefits' section for claiming instructions.

2. Expenses not covered by your health or dental plan; or, for a dependent not enrolled in your 1stchoice group benefit plans but eligible under the HSA

Use the Alberta Blue Cross app or visit members.ab.bluecross.ca to make a claim or check your account balance.

Online claims submission is possible provided that the claim does not exceed \$3,000, the service or product was paid in full and payable to you (not the provider) and the expense was incurred in Canada. Additional conditions may apply. To determine if your claims are eligible for online submission, go to members.ab.bluecross.ca, click on "Sign in" and choose "Plan members" to register or sign in. Once you are signed in, detailed information is located under "Benefits."

If you prefer to submit a paper claim, attach the original receipt along with a completed HSA claim form and mail it to:

Alberta Blue Cross
10009 – 108 Street NW
Edmonton, Alberta T5J 3C5

Note: Online web or app claim submissions are recommended as there is a faster turn around time. Active direct deposit information is required to submit online claims.

3. Premiums for prescription drug, extended medical and/or enhanced dental coverage

Use the Alberta Blue Cross app or visit members.ab.bluecross.ca to make a claim or check your account balance.

Online claims submission is possible provided that the claim does not exceed \$3,000.

If you are claiming your share of premiums for prescription drug, extended medical and/or enhanced dental coverage, select "Submit a claim" and then "Health Spending Account claim." From there, select who the claim is for, and you will have the option to add an expense. Under the expense category select "Extended Health & Dental Insurance Premiums."

If you prefer to submit a paper claim, submit the Health/Dental Premium Report, with a completed HSA claim form and mail it to:

Alberta Blue Cross
10009 – 108 Street NW
Edmonton, Alberta T5J 3C5

Note: Online web or app claim submissions are recommended as there is a faster turnaround time. Active direct deposit information is required to submit online claims.

Run and print a Health/Dental Premium report:

Your report will open in a printable format which can be attached and submitted with your HSA claim form for reimbursement or uploaded through your Blue Cross portal. Visual screen shots can be accessed on 1GX at

[Run and Print a Health/Dental Premium Report.](#)

1. Log onto 1GX. Click on "Health/Dental Premium Report" Tile under Employee Experience Group.
2. Enter date range as YYYY-MM-DD or select from Calendar button.
3. Click "Execute".
4. Health/Dental Premium Report is generated.
5. Click Print icon.
6. The Output Device field defaults to LOCLWEB. Change Print Time to "Immediately".
7. Click "Continue"
8. Click the green check mark to generate the report
9. The two-page report in PDF format will display. Scroll down to the second page to see your total employee deductions. Click Print icon.
10. The report can be printed on your printer.
11. Alternatively, the report can be downloaded to a location of your choice using the Download icon.
12. Click Save to your selected location.

To submit the claim to Alberta Blue Cross online:

- Visit [Alberta Blue Cross](https://members.ab.bluecross.ca) and sign up or click "sign in" if you are already registered for a member account.
- When submitting the claim, enter your share of the premiums deducted, as outlined in the health/dental premium report.
- Upload the health/dental premium report if prompted to do so.
- Alberta Blue Cross reserves the right to request confirmation of receipt for up to 12 months. You may need to provide the required health/dental premium report or pay statement information if requested by Alberta Blue Cross.

Claims reimbursement process and deadlines

- If submitting by paper, find the HSA claim form at <https://www.ab.bluecross.ca/forms.php>. Make sure original receipts are attached to the form.
- Submit claims online via [Alberta Blue Cross](#). Payments are processed once per month if the claim is \$50 or more. Claims under \$50 will be processed when total claims are \$50 or more.
- Active direct deposit information is required to submit online claims.
- Submit your expenses as you incur them. Expenses for active employees must be submitted by May 31 (two months after the end of the HSA year, which runs from April 1 to March 31), or they will not be eligible for reimbursement.
- When you terminate, retire or transfer from one benefit program to another due to a change in position, you have two months from your termination, retirement or transfer date to submit claims for eligible expenses incurred while you were employed, or they will not be eligible for reimbursement.

Coordination of benefits

Coordination of benefits applies when you or your dependents have coverage under more than one health and dental benefit plan, usually with your spouse or benefit partner. Coordinating benefits when both you and a spouse or benefit partner have coverage maximizes the potential of both plans. Submit your claim to both your health and dental benefit plans first. If a portion of the expense is not reimbursed through these plans, you can claim the remaining unpaid amounts from your HSA. To ensure that you are taking full advantage of your benefit plans, use the coverage under all benefit plans first, before submitting the expense to your HSA.

What is the order for submitting claims?

For ***your expenses***, submit claims to:

1. Your group benefits health or dental plan
2. Your spouse or benefit partner's health or dental plan
3. Your HSA
4. Your spouse or benefit partner's HSA

For ***your spouse or benefit partner's expenses***, submit claims to:

1. His or her plan
2. Your plan
3. His or her HSA
4. Your HSA

How do I coordinate claims for a dependent child?

The claim must be submitted first by the parent whose birthday is earlier in the year, regardless of which parent is older, and then by the other parent.

For example, if Sue was born on January 5, 1975 and Bob, her husband, was born on April 20, 1972, Sue would submit the claim to her plan first since her birthday is earlier in the year even though Bob is older. Any remaining balance would be covered by Bob's plan, followed by Sue's HSA (since she submitted the claim first), and then followed by Bob's HSA, if needed.

When coordinating benefits, is an HSA form required?

If both you and your spouse or benefit partner are covered by benefit plans adjudicated by Alberta Blue Cross, they will process the claim through both benefit plans first and then your HSA. No HSA claim form is required.

If your spouse or benefit partner's benefits plan is with an adjudicator other than Alberta Blue Cross, you can submit your claim online, you will be required to confirm the amount paid by your spouse or benefit partner's plan. If you are selected for verification, you will be required to upload the Explanation of Benefit (EOB) from your spouse's or benefit partner's plan and copies of the original receipts.

If you choose to submit your claim by mail, an HSA form is required along with the Explanation of Benefits (EOB) from your spouse or benefit partner's benefits plan and copies of the original receipts.

Forms and instructions are available from Alberta Blue Cross at members.ab.bluecross.ca.

If you and your spouse or benefit partner each have an HSA and you want to coordinate your coverage between the HSAs, contact Alberta Blue Cross for claim instructions.

Do I have to submit original receipts for the HSA?

If you're submitting your claim by mail, you must submit original receipts with the HSA claim form. Attach the original receipt for each expense and keep copies for your records. A Physician's Written Order, where required for specific services, must be submitted to Alberta Blue Cross and will be kept on your file for one year from the date on the Physician's Written Order. Please refer to the Extended Medical section of your [1stchoice handbook](#) for more information.

If you are submitting an HSA form for expenses already claimed under your spouse or benefit partner's benefits program and that program is not adjudicated by Alberta Blue Cross, attach the Explanation of Benefits (EOB) from that program and copies of the receipts.

Popular ways to use an HSA

EXAMPLE 1: GREG USES HIS HSA TO HELP PAY FOR NEW GLASSES

Greg is single and has Enhanced Extended Medical coverage under the **1stchoice** group benefits program and receives \$1,200 in his HSA. During the HSA year, Greg spends \$500 on a new pair of glasses and submits a claim under his plan. His plan covers glasses for up to \$350 every 24 months. He uses HSA credits to cover his out-of-pocket costs:

Amount submitted to benefits program	\$500
Amount paid	(\$350)
Expense automatically flows through to HSA	\$150
Total annual HSA credits	\$1,200
Amount paid by HSA	(\$150)
Remaining HSA credits	\$1,050

With his HSA credits, Greg is fully reimbursed for the cost of his glasses, and he still has \$1,050 in credits to use for other expenses. Without the HSA, Greg would pay \$150 (in after-tax dollars) for the expense not covered by his group benefits program.

EXAMPLE 2: DENISE NEEDS MAJOR ORTHODONTIC WORK

Denise has core coverage under the **1stchoice** group benefits program. She needs \$4,500 worth of orthodontic work and will have this work done over a two-year period. Her plan pays 50% of orthodontic expenses up to a lifetime maximum of \$2,000. Since she receives \$1,200 in HSA credits each year, Denise plans to use her credits over two years to help pay for her expenses:

Expenses incurred and submitted in Year 1	\$1,500
Amount paid in Year 1 from benefits program	(\$750)
HSA credits allocated in Year 1	\$1,200
Amount paid in Year 1 from HSA	(\$750)
HSA credits carried forward to Year 2	\$450
Expenses incurred and submitted in Year 2	\$3,000
Amount paid in Year 2 from benefits program	(\$1,250)
HSA credits allocated in Year 2	\$1,200
HSA credits carried forward from Year 1	\$450
Total credits available in Year 2	\$1,650
Amount paid in Year 2 from HSA	(\$1,650)
Total expenses in Year 1 and Year 2	\$4,500
Amount paid in Year 1 and Year 2 from benefits program	(\$2,000)
Amount paid in Year 1 and Year 2 from HSA	(\$2,400)
Denise's out-of-pocket costs	\$100
Denise's remaining HSA credits carried forward to the next HSA year	\$0

Denise can be reimbursed for a significant expense that exceeds the limits of her core coverage. She must submit her claim within two months of the end of the HSA year (May 31), in which the expense was incurred to be eligible for reimbursement.

EXAMPLE 3: MARIAN'S LIVE-IN MOTHER NEEDS A HEARING AID

As a participant in the **1stchoice** group benefits program, Marian receives \$1,200 in her HSA. Her mother lives with her and needs a hearing aid, which costs \$675. Although Marian's enhanced coverage includes hearing aids, she can't claim the cost since her mother is not an eligible dependent under the **1stchoice** group benefits program. However, she can claim the cost of the hearing aid under her HSA, if the CRA recognizes her mother as a dependent:

Amount covered under her benefits program	\$0
Total annual HSA credits	\$1,200
Amount paid by HSA	(\$675)
Remaining HSA credits	\$525

With her HSA credits, Marian is fully reimbursed for the cost of her mother's hearing aid, and she still has \$525 in credits to use for other health and dental care expenses. Without the HSA, Marian or her mother would have to pay the full \$675.

EXAMPLE 4: SAM USES HIS HSA TO HELP PAY HIS BENEFIT PREMIUMS

Sam wants to use his HSA credits to pay for premiums under the **1stchoice** group benefits program. He pays \$477.88 per year in premiums under the core prescription drugs and extended medical plans. With his HSA, he can now submit his Health/Dental Premium Report and the HSA claim form to Alberta Blue Cross and be refunded the entire amount. Sam has \$722.12 left in credits to use for other eligible expenses.

*Note: Employees participating in the core prescription drug, core extended medical, or enhanced drug/medical/dental options can use their HSA to refund amounts paid for the **employee portion** of the premiums. The amount quoted above is for illustration purposes only.*

When are my claims paid?

HSA payments and statements are produced once a month (following the third weekend of every month) if the cumulative total of eligible claims is at least \$50. If the total of eligible claims is between \$2.01 and \$49.99, payments and statements will be issued after the HSA year end run-off period has concluded (May 31). If at the end of the HSA year your claims total \$2 or less, you will not be reimbursed.

Note: Credit cutoff date is always the last day of the month prior, the April 1 credits will not be utilized to pay out expenses until May payment period.

What if I don't use my HSA?

Unused credits are carried forward for one more HSA year. Credits carried forward must be used in the second HSA year, otherwise, you lose them. Alberta Blue Cross will make sure the oldest credits are used first.

****Reminder: Use your credits... or lose them!**

Marilyn received \$1,200 in HSA credits on April 1, 2026. If she did not use all her credits by March 31, 2027 (the end of the first HSA year), they will be carried forward to the second HSA year (April 1, 2027 to March 31, 2028). If by the end of the second HSA year (up to March 31, 2028) Marilyn has used only \$810 of her first-year credits, she will lose the remaining \$390.

Important HSA dates

Carry-forward of credits

At the end of the HSA year, March 31, any remaining credits are carried forward for one more HSA year. Credits carried forward must be used for expenses incurred within the second HSA year (up to March 31 of the second year) and submitted within two months of the end of the HSA year (by May 31) or they are lost.

HSA year

The HSA year is from April 1 to March 31. Employees receive credits in their HSA on April 1 of each year.

Run-off period for HSA year end

At the end of the HSA year, March 31, claims for expenses **incurred during that HSA year** must be submitted within the following two months (by May 31) or they will no longer be eligible for reimbursement.

If you terminate employment or transfer from one benefit program to another (e.g. bargaining unit to management, opted out or excluded) you have two months to submit claims for expenses incurred during your employment.

Common HSA terms

Automatic flow through

The process where any portion of an eligible HSA expense claimed under the **1stchoice** group benefits program that exceeds coverage maximums is automatically transferred to the HSA for reimbursement, without the need to submit additional forms or receipts.

The Automatic flow through also refers to coordination between the **1stchoice** group benefit plans and another benefit plan, when both plans are adjudicated through Alberta Blue Cross.

Important reminder: Expenses must be claimed no later than two months following the end of the HSA year in which they are incurred or they will no longer be eligible for reimbursement. Credits, however, will be carried forward for one HSA year.

Credits

An amount contributed by the Government of Alberta to the HSA on April 1 of each year, for each eligible employee, which is used to help pay for eligible health and dental care expenses.

Dependents

Spouse

A person to whom the eligible employee is legally married.

Benefit partner

An individual with whom the eligible employee is currently cohabitating and

- is not related by blood or adoption and with whom the eligible employee is in an adult interdependent relationship with and has been living with for a continuous period of at least 24 months, and the eligible employee has declared in writing to be a benefit partner; or
- is not related by blood or adoption and with whom the eligible employee has been in an adult interdependent relationship with and has been living with for a continuous period of at least 36 months; or
- has entered into an adult interdependent partner agreement with the eligible employee under the *Adult Interdependent Relationships Act*; or
- is in an adult interdependent relationship with the eligible employee and there is a child of the relationship by birth or adoption.

Only one adult relationship (spouse or benefit partner) will be recognized for benefits coverage.

Dependent child

Your unmarried child or the unmarried child of your spouse or benefit partner who is:

- under age 21; or
- under age 25 and a full-time student in an accredited program or at an accredited educational institute, college or university; or
- any age, incapable of self-sustaining employment because of a disability and is wholly or substantially dependent on you for financial support and maintenance.

Guardian child

An unmarried dependent child who is:

- under age 21 and a person for whom you are the legal guardian; or
- under age 25 and a full-time student in an accredited program or at an accredited educational institute, college or university, provided you were appointed legal guardian prior to the child's 21st birthday; or
- any age, incapable of self-sustaining employment because of a disability, is wholly or substantially dependent on you for financial support and maintenance, and for whom you are the court-appointed legal guardian.

Legal guardian

- A guardian appointed by court order; or
- A guardian appointed by the will of a deceased parent of the child; or
- A person who has ongoing custody of the child with the consent of the child's parent(s).

For HSA purposes, dependents also include those defined by the Canada Revenue Agency (CRA). The CRA definition of a dependent includes any person for whom the employee may claim a medical expense tax credit on their personal income tax in that year.

A person qualifies as a dependent of the individual for a particular taxation year if all the following conditions are met.

- The person is the grandchild, parent, grandparent, brother, sister, uncle, aunt, niece or nephew of the individual or of the individual's spouse/common-law partner.
- The person is dependent on the individual for support at any time in the year.
- The person is a resident of Canada at any time in the year. This residence requirement does not apply if the person is the child or grandchild of the individual or of the individual's spouse/common-law partner.

You are responsible for ensuring your claim meets the definition of dependent as defined by the CRA.

Explanation of benefits (EOB)

A statement sent to the plan participant once a claim has been processed by the insurer. The Explanation of Benefits (EOB) provides detailed information on the expense amount submitted and the benefit amount paid. If the claim is adjudicated through Alberta Blue Cross, the EOB can be printed from the Alberta Blue Cross Member Services at members.ab.bluecross.ca

HSA year

April 1 to March 31. The HSA year is the period for which the Government of Alberta contributes credits to the HSA on an annual basis and governs when eligible expenses may be claimed.

Non-taxable benefit

A benefit the Government of Alberta provides that is not subject to provincial or federal income tax.

Run-off period

The two-month period to submit claims for expenses incurred during the HSA year and/or period of employment when:

- reaching the end of the HSA year (claims must be submitted by May 31); or
- transferring from one benefit program to another (e.g., Management to Union); or
- terminating or retiring.

Helpful contacts and resources

Government of Alberta

- GoA Time and Benefits Support Line: 780-644-8114

- E-mail: GOA.TimeAndBenefits@gov.ab.ca
- Outside of Edmonton, dial toll free 310-0000 followed by 780-644-8114 or hold or press 0 for operator assistance

Alberta Blue Cross

- Customer Services: 1-800-661-6995 (toll free)
- Use the Alberta Blue Cross app or visit members.ab.bluecross.ca to make a claim or check your account balance or for instructions for submitting claims.
- Forms: <https://www.ab.bluecross.ca/forms.php>

Canada Revenue Agency (CRA)

- List of medical expenses that are eligible under the HSA: www.cra-arc.gc.ca/medical/

This guide summarizes the main provisions of the Health Spending Account for Government of Alberta eligible Management and Opted Out Excluded 1stchoice employees. While every effort has been made to provide accurate information, the official plan document will prevail if there are discrepancies.