

What is a Wellness Spending Account?

A Wellness Spending Account (WSA), also known as a Personal Spending Account (PSA), are a **taxable benefit**¹ that provides additional health and wellbeing options beyond what is covered under a traditional benefits plan.

What is covered by a Personal Spending Account?

A WSA is not regulated, and so the options for coverage are almost limitless! Employers decide what will be covered under their WSA and can set as many parameters (or as few) as they wish. Some carriers limit what can be covered under a WSA, but some common eligible expenses are:

- Personal training and consultation
- Gym, fitness centre and annual memberships
- Childcare
- Eldercare
- Hobby and general interest classes
- Education fees, tuition and books
- Smoking Cessation Programs
- Safety equipment
- Alternate transportation
- Legal services
- ... and more!

Who is it for?

WSA's work well for employers looking to offer some additional perks to their employees aimed at keeping them happy and healthy. A WSA can also keep an employer competitive in the job market by attracting and retaining top employees.

¹ | **Taxable benefit** - considered part of an employee's total compensation package. WSA dollars will need to be included on an employee's T4.

How does it work?

An employer sets a dollar amount per employee for eligible expenses (as determined by the employer).

We'll use \$500 for this example.



An employee, Marie, joins her local gym and purchases an annual membership for \$375.



Marie chooses to utilize her WSA dollars to pay for the membership and processes a claim for \$375.



The claim is submitted electronically and claims are paid within the 2-4 business days, leaving Marie with \$125 in her WSA to use on other eligible expenses.

