



LAND GROUP INSURANCE PLAN

ADDITIONAL REIMBURSEMENT BENEFIT (COST-PLUS)

ELIGIBILITY

The employees and their dependents, of active member firms, who are enrolled for coverage in the Basic Group Insurance Plan.

ELIGIBLE CHARGES (*When is Cost-Plus used?*)

Cost-Plus is designed to cover Medical or Dental expenses that are not covered under the terms of the Basic Plan and are recognized by the Government as tax deductible. This includes but is not limited to deductibles, co-payments and expenses exceeding Basic Plan maximums plus other Medical, Major Dental Expenses (Crowns, Bridges, etc.) and all Orthodontic Dental Procedures (Braces, etc.) which the underwriter is permitted to insure. Vision Care Expenses for Lenses, Frames and Contact Lenses are also included.

PLAN MAXIMUM

The plan pays 100% of eligible charges for covered Medical and Dental Expenses up to a maximum of \$10,000 per individual insured person per calendar year and 100% of eligible Vision care Expenses as permitted by law to a maximum of \$1,000 per individual insured person per calendar year.

TAXABILITY (*Why Cost Plus?*)

It allows for Medical and Dental expenses to be paid out of "company dollars" instead of the employees personal after tax income. Premiums paid under this benefit are tax deductible to the Employer under current tax regulations. Claims paid are received by the employee tax free.

PREMIUM COST (*How to Claim*)

The premium for this plan is the Total Claim Amount plus an administration charge plus all applicable taxes. Please note, the administration fee varies by province of residence and is subject to a minimum administration charge of \$15 and a maximum administration charge of \$300. A cheque to cover the premium should be submitted with the claim. In return a cheque in the amount of the claim will be issued to the employee. A sample calculation is provided on the reverse of this page.

The original expense receipts and/or original insurer statement identifying the unpaid expenses to be processed on a cost-plus basis must accompany the claim.

For further information please contact the PLAN ADMINISTRATORS:

TS BENEFIT SOLUTIONS
544 Conestogo Rd.
Waterloo, Ontario N2L 4E2
Telephone: (519) 746-2288
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SAMPLE ILLUSTRATION

HOW TO CALCULATE TOTAL COST PLUS CLAIM CHARGES

	SAMPLE ILLUSTRATION	1	2	3
A)	TOTAL CLAIM AMOUNT (Expenses to be reimbursed on a non-taxable basis)	\$100.00	\$1,000.00	\$10,000.00
B)	ADMINISTRATION FEE Minimum Fee \$15, Maximum Fee \$300 The administration fee is a percentage of the Total Claim Amount and varies by Province of Residence (13.5% for Newfoundland, 11.6% for Quebec, 11.2% for Ontario , and 9% for all other Provinces).	\$15.00	\$112.00	\$300.00
C)	ADD G.S.T. (Administration Fee x 6%) OR ADD H.S.T (Administration Fee x 15% - applies to NFLD, NB, NS)	\$1.05	\$7.84	\$21.00
D)	PROVINCIAL PREMIUM/RETAIL SALES TAX [(A) + (B)] x 8% (Applies if claimant resides in Ontario), or (A) x 9% (Applies if claimant resides in Quebec)	\$9.20	\$88.96	\$824.00
E)	ADD QUEBEC SALES TAX [(B) + (C)] x 7.5%	n/a	n/a	n/a
F)	TOTAL AMOUNT PAYABLE [(A) + (B) + (C) + (D) + (E)]	\$125.25	1,208.80	\$11,145.00
	F represents Cost-Plus Premium Payable by Employer. The Premium is tax deductible as a business expense.			
G)	Pre-Tax Salary required to pay Total Claim Amount after taxes on a personal basis. At 40% Marginal Tax Rate (This salary does not include associated benefit costs (ie., E.I., EHT, CPP))	\$166.67	\$1,666.67	\$16,666.67
	Savings (using company dollars to pay claim instead of personal after tax dollars) (G) - (F)	\$41.42	\$457.87	\$5,521.67

NOTE: This illustration is for residents of Ontario. The Administration Fee and Taxes must be adjusted for your Province of residence.