

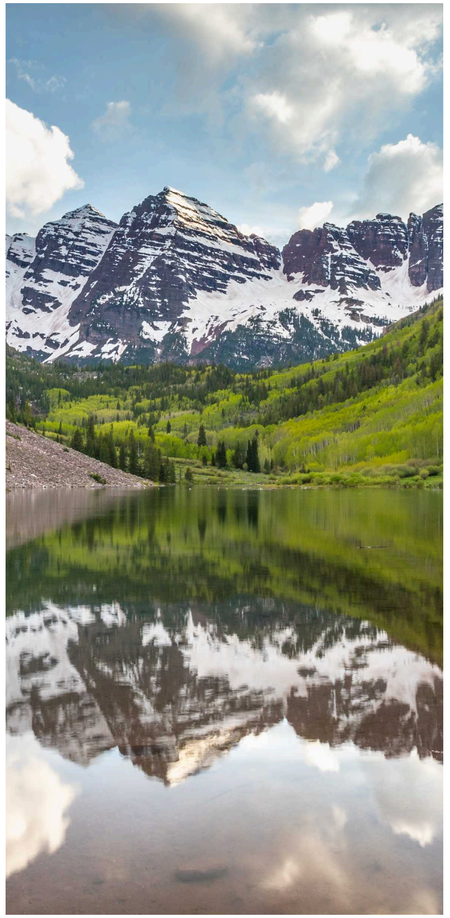
Olympia Wellness Spending Account

The Beginners Guide to an Employee Wellness Program

By Olympia Benefits Inc.

OLYMPIA BENEFITS

WHO IS OLYMPIA BENEFITS INC.?

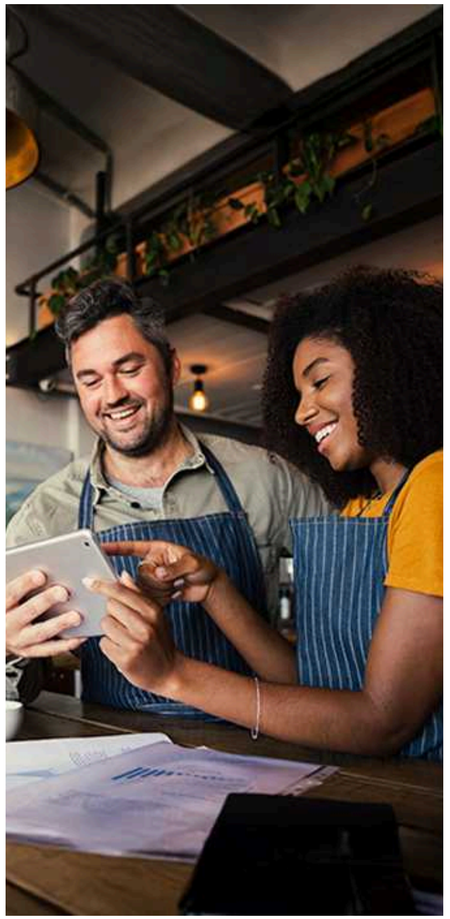


We are a benefits provider in Canada serving over 69,000+ plan members and 25,000 small businesses since 1997.

Our focus is providing affordable and cost-effective benefit plans to businesses.

Our offerings include a Health Spending Account, Wellness Spending Account, and broker optional insured products.

WHO SHOULD READ THIS GUIDE?

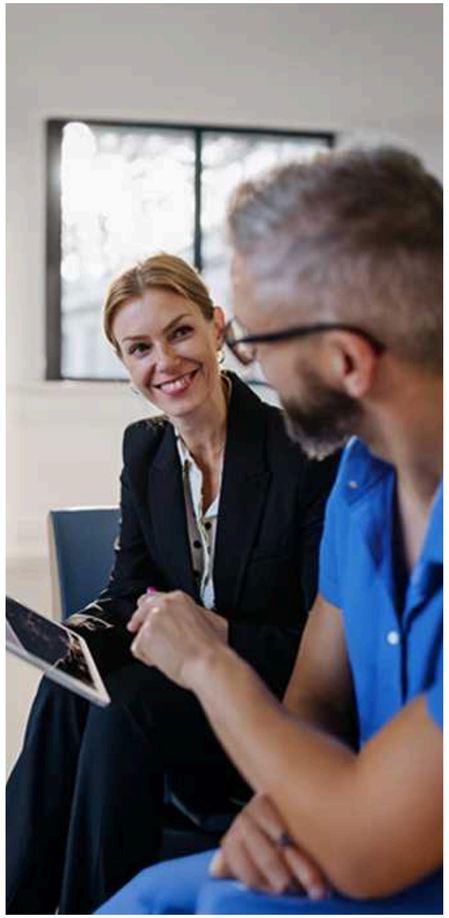


You want to learn more about Employee Wellness Programs for your business.

You are interested in learning how to remain competitive by improving employee retention, recruiting top talent, and increasing productivity.

You are interested in nurturing a culture at your small business that emphasizes happy employees, healthy choices, and active living.

WHAT IS A WELLNESS SPENDING ACCOUNT?



The Wellness Spending Account (WSA) is the most popular type of Employee Wellness Program.

A WSA is an employee spending account sponsored by the employer.

WSA benefits are taxable to the employee.

Eligible expenses are defined by Olympia Benefits Inc. through broad categories including fitness, nutrition, personal and professional development.

Employees can spend their WSA allowance on eligible expenses within these categories.

WHO CAN USE A WELLNESS SPENDING ACCOUNT?



Note: A WSA can benefit all types of different businesses.

As an example, here is a business which could utilize a WSA:

- You own a corporation with 6 full time employees.
- Your small business wants to provide additional benefits for your employees.
- Your objective is to increase retention, improve productivity, and proactively keep them healthy.

HOW DOES A WELLNESS SPENDING ACCOUNT CLAIM WORK?

Each employee is designated a specific dollar amount or limit as to how much they can spend in their WSA.

The limits are separated through different types of employee classifications (they are based on factors determined by the employer such as job title, years of experience, or other criteria).

The total expense to the employer comprises the maximum permitted wellness benefit per employee, along with any applicable administrative fees and taxes.

To simplify contributions, the employer may opt for a pre-funding setup that enables direct deposits into their account.

Employees pay for the expense personally and then make a claim with them through the Olympia portal.

If the expense is eligible, then the employee will be reimbursed using funds from their WSA allowance. The expensed amount is added onto the employee's total taxable income. The expense is a tax deduction for the employer.

Employees do not have to spend all of their WSA allowance, but they cannot claim over their limit. Unused portions cannot carry forward.

Employees can only be reimbursed for eligible expenses defined by the Wellness program and set forth by the provider.

WHAT ARE SOME TYPICAL EXPENSES COVERED IN A WELLNESS SPENDING ACCOUNT?



5 Categories:

- Nutrition
- Fitness
- Professional/Personal Development
- Personal/Family Interest
- Mental Health

Any expenses which fall under these 5 categories will typically be covered through the Olympia WSA. For example, music lessons will fall under personal/family interest and language training will fall under professional/personal development.

WHAT IS THE PURPOSE OF PROVIDING WELLNESS BENEFITS?

Wellness benefits are a proactive approach to the recurring challenge of employee retention, recruitment, productivity, and satisfaction. On top of attracting and retaining top talent, wellness plans greatly benefit a company's culture and brand image.

Companies that implement an effective wellness program realize:

- An average $5.93 to $1 savings-to-cost ratio
- An average reduction of:
  - 26% in health costs
  - 30% in workers' compensation and disability management claims
  - 28% in sick days

The Institute for Healthcare Consumerism

59% of companies agree that workplace wellness programs can help reduce costs.

The Institute for Healthcare Consumerism

Stress-related absences cost Canadian employers about **$3.5** billion each year.

Workplace Safety & Prevention Services

38% of wellness program participants said it helped them take fewer sick days.

HealthMine

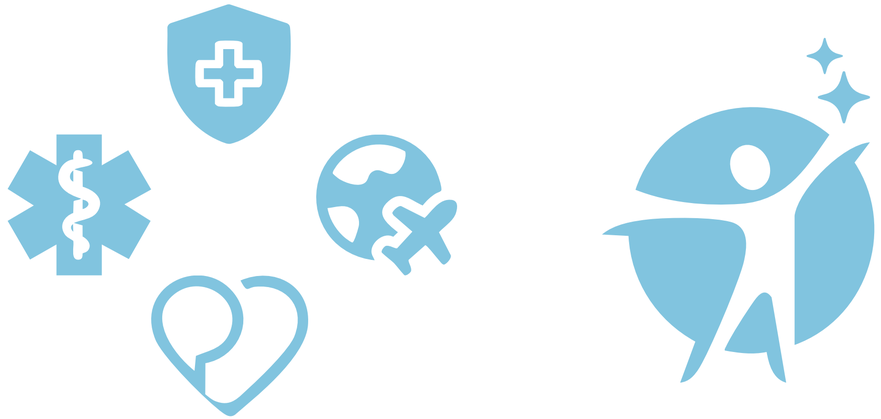
- 61% of employees are burned out on the job.
- The top five stress symptoms causing missed work days are constant fatigue (29%); sleeplessness (26%); aches and pains (24%); high anxiety (23%) and weight gain (18%).
- 61% of employees agree that they've made healthier lifestyle choices because of their company's wellness program.

CareerBuilder

HOW DOES A WSA DIFFER FROM AN HSA?

A Health Spending Account (HSA) is a cost effective alternative to traditional health insurance. Tax free to the employees, and tax deductible by the employer, the HSA enables small business employers to offer comprehensive health and dental benefits. Eligible expenses are determined by CRA.

A Wellness Spending Account (WSA) is a proactive investment in personal well-being. It complements the HSA by providing benefits that reward healthy and active lifestyles. These additional benefits help create and sustain a motivated, engaged, and productive staff. Eligible expenses are determined by the provider.



HOW DOES A WSA DIFFER FROM HEALTH INSURANCE?

As stated in the previous slide, the WSA is comparable to the HSA because they are both spending accounts. However, they target different areas and compensate employees for different expenses.

A traditional insurance plan may compete with an HSA as they both cover expenses like dental checkups, prescription drugs, braces, and prescription glasses; Whereas the WSA is offering benefits in categories not typically eligible under an insurance plan.

As a result, traditional health insurance does not compete with a WSA directly.





ELIGIBLE EXPENSES UNDER THE OLYMPIA WSA

Category 1 – Nutrition

1. Nutrition counselling
2. Over-the-counter vitamins and supplements
3. Specialized food (carb free, Keto meals etc.)
    - Boost
    - Pediasure
4. Weight Management

Category 2 – Fitness

1. Fitness/Sports Equipment
    - Baseball bat, gloves
    - Bicycle helmet
    - Boxing gloves
    - Equipment rentals such as skis, skates, snowboards, canoe, kayak
    - Foam roller
    - Frisbee
    - Goggles
    - Golf clubs
    - Hiking boots
    - Hockey bag
    - Hockey pucks
    - Hockey sticks
    - Home free weights
    - Home treadmill
    - Life jacket
    - Outdoor bicycle
    - Personal hockey gear such as shoulder pads, shorts, socks, gloves, helmet, cage, elbow pads
    - Protective gear such as sports helmet, goggles, shin guards, wrist guards, mouthguards
    - Punching bag
    - Rock climbing shoes
    - Rock climbing harness
    - Running shoes
    - Ski hat, gloves, face mask
    - Snorkel gear
    - Stability ball

- Stationary bike
- Tennis rackets
- Thera bands
- Trail running shoes
- Water skis
- Wearable fitness tracker (Fitbit, Garmin watch, Apple watch)
- Wet suit
- Winter skis/snowboard, bootsand bindings
- Yoga mat, blocks, straps, bolster

2. Courses/lessons/memberbhips
    - Club memberships
    - Dance lessons
    - Fun Run registration fees
    - Golf registration fees
    - Ice hockey arena rental fees
    - Marathon/race registration fees
    - Martial arts lessons

Parkour gym fees
Personal training fees
Self-defense course
Skating lessons
Ski passes
Ski/snowboard lessons
Sports team registration fees
Swimming lessons
Swimming pool entrance fee

Category 3 – Professional/Personal Development

1. Books/software
2. Courses/conferences/seminars
    - Continuing education
    - Language training
    - Parking for course
3. Professional membership fee



Category 4 – Personal/Family Interest

1. Art classes/supplies
2. Horseback riding lessons
3. Music lessons
4. Pre-natal classes
5. Sign language classes



Category 5 – Mental Health

1. Art therapy
2. Hypnosis
3. Mindfulness
4. Reiki
5. Retreat Registration fees
    - Hiking retreat
    - Meditation retreat
    - Yoga retreat



Note: This is a partial list; for a more complete breakdown of eligible and ineligible items, please click the button Here

WELLNESS SPENDING ACCOUNT INELIGIBLE ITEMS

Category 1 – Nutrition

- Blender
- Body scale
- Botox injections
- Cooking classes
- Cool Sculpt
- Food journal
- Food scale
- Food storage containers
- Juicer
- Liposuction
- Measuring cups/spoons
- Nicotine gum/patches

Category 2 - Fitness

- Axe throwing class fees
- Bear spray
- Bow and arrow
- Camping registration fees
- Clip in shoes for stationary bike
- Ear muff
- Epipen
- Epson salts
- Fishing net
- Fishing pole
- Flip flops
- Foot soaker tub
- Gas to hockey games
- Golf bag
- GPS locator
- Gym bag
- Headband
- Headphones
- Hiking backpack
- Hot tub/sauna
- Hunting rifle
- Ice/heat packs
- Lock for locker



WELLNESS SPENDING ACCOUNT INELIGIBLE ITEMS

- Massage oils
- Nintendo accessories/games
- Nintendo console
- Personal massager
- Reflective running/biking clothing
- Ski jacket
- Snow pants
- Socks
- Sports bras
- Sports jerseys
- Sunglasses
- Sunscreen
- Sweatshirt
- Swim suit
- Tape
- Tens Machine
- Towels
- Waist belt for water
- Water bottle
- Wireless headphones
- Work out shirts/tanks/t-shirts
- Workout pants/shorts
- Workout videos

Category 3 – Professional/Personal Development

- Driving lessons
- Kids camp registration fees
- Laptops/computers
- Movie tickets
- Pet obedience classes
- Theatre tickets

Category 4 – Mental Health

- Daylight lightbulbs
- Essential oils
- Meditation books
- S.A.D Lightbox



DO I QUALIFY? WHY CHOOSE OLYMPIA BENEFITS?



You qualify if you own an existing Group HSA plan with Olympia Benefits.

The WSA is available on the Olympia app and website.

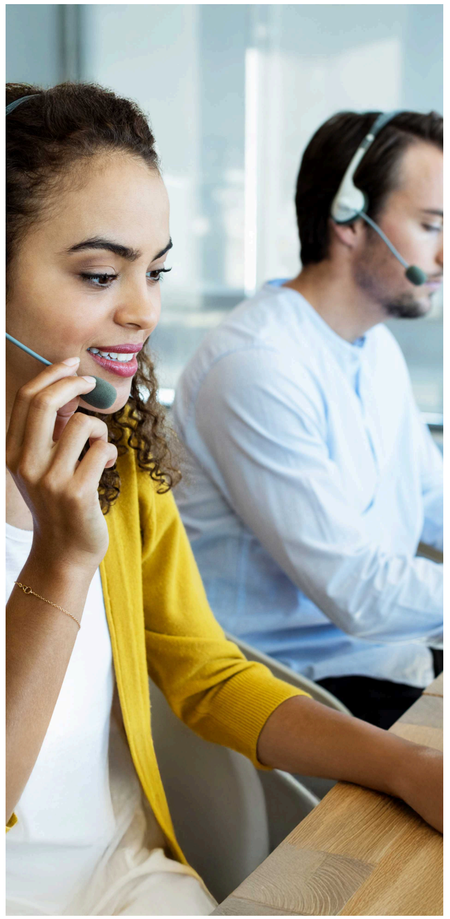
It is accessed digitally for an effortless and secure claims experience.

The Olympia Wellness Spending Account creates a happy and productive employee. Add the plan through seamless integration as an existing Olympia client. Quick and intuitive setup process, no fuss.

The HSA and WSA are built on one platform, with one ID log-in for both products. Experience secure and fast claims using the Olympia Benefits app or website.

Note: Claims paid on a WSA are considered taxable expenses and will be added to the employer's total taxable income.

HOW DO I SIGN UP?



Please contact our Customer Service Specialists at
1 888 668 8384 or **info@olympiabenefits.com**

We hope this guide helped you understand how a WSA works and its uses as a small business hiring and retention tool.

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BENEFITS