

# Retiree Benefit Choices

## **Program Guide**

2023 Benefit Year



Your**Health** Your**Choice** Your**Life**

# What's Inside?

<b>Welcome to Retiree Benefit Choices .....</b>	<b>3</b>
<b>Retiree Benefit Choices at a Glance .....</b>	<b>4</b>
<b>How Retiree Benefit Choices Works .....</b>	<b>5</b>
<b>Who Is Eligible for Retiree Benefit Choices? .....</b>	<b>6</b>
<b>Learn About Your Core Benefits .....</b>	<b>9</b>
Core Benefits .....	9
Basic Life Insurance .....	9
Employee Assistance Program .....	9
Banking Advantages .....	10
<b>Learn About Your Benefit Options.....</b>	<b>11</b>
Your Credit Share.....	11
Health Options.....	13
Dental Options.....	17
Health Spending Account (HSA).....	19
Additional Life Insurance .....	22
<b>2023 Annual Enrolment .....</b>	<b>23</b>
Key Information .....	23
<b>2023 Credits and Pricing .....</b>	<b>24</b>
Health and Dental Prices for 2023 .....	24
<b>How to Enrol .....</b>	<b>25</b>
New Retiree Enrolment .....	25
Default Coverage .....	25
Annual Enrolment.....	26
Paying Your Premiums.....	27
<b>Changing Your Coverage After You Enrol .....</b>	<b>28</b>
Life-event Changes .....	28
<b>Returning to Work.....</b>	<b>29</b>
<b>Supporting You .....</b>	<b>30</b>
<b>Tips for Making Claims.....</b>	<b>31</b>
Health Spending Account Claims.....	32
Co-ordinating Benefits With Your Spouse.....	33
<b>Income Tax and Credits .....</b>	<b>34</b>
What is a Taxable Benefit? .....	34
How Are Taxable Benefits Calculated for Quebec Residents?.....	34
<b>Glossary.....</b>	<b>35</b>

# Welcome to Retiree Benefit Choices

HSBC Retiree Benefit Choices is designed to meet the diverse needs of you and your family. The program provides you with choices, flexibility and competitive features. You are in charge of deciding how to spend the money HSBC contributes on your behalf.

The program is competitive in value and offers you the opportunity to choose the benefits that best fit your needs.

## Get the Most Value from Retiree Benefit Choices

### Learn about your benefits

Use this guide to learn how your retiree benefits work, explore guidelines to consider in making your decisions and find out how to get the most value from the available options.

### Use your benefits wisely

To help keep costs low, we need your help! As the cost of health and dental benefits continues to rise in Canada, it's important for you to make cost-effective decisions when using health products and services. Using your benefits carefully, you can help keep these plans affordable.

*This Retiree Benefit Choices Guide provides an overview of the benefits that will be available to eligible retirees as of January 1, 2023. The purpose of this guide is to assist you in understanding the program. It does not modify the official plan document(s), as amended from time to time, that govern the operation of each of the individual plans. If there are any conflicts between this guide and the plan document(s), the terms of the plan document(s) will apply. HSBC reserves the right to amend the terms and conditions of, or to discontinue, these benefits at any time. If any circumstance arises regarding the benefit program, and it is not described in this document or the official plan document(s), HSBC in its sole discretion will provide the final interpretation and decision.*

# Retiree Benefit Choices at a Glance

Retiree Benefit Choices includes three groups of benefits.

## Core Benefits

As part of your Retiree Benefit Choices program, HSBC provides you with **Core Benefits** paid for or subsidized by HSBC. You are automatically covered for these benefits:

- Basic Life Insurance
- Employee Assistance Program
- Banking Advantages

## Health and Dental Options

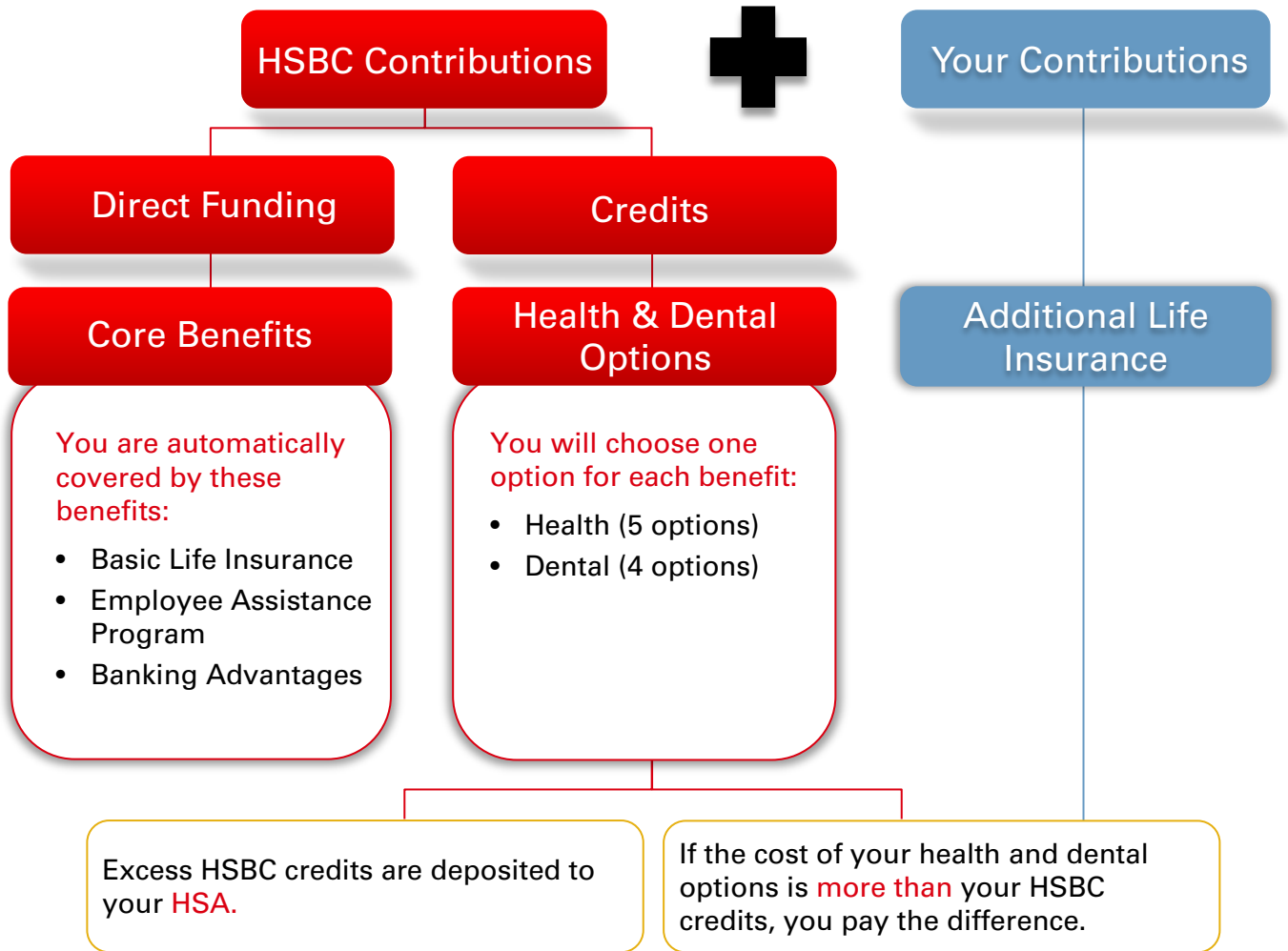
Each year, HSBC provides you with credits to help you pay for your health and dental benefits coverage:

- **The health plan** offers you a choice of five options with different levels of reimbursement.
- **The dental plan** offers you a choice of four options with different levels of reimbursement.
- Each benefit option has a price tag that represents the cost of the benefit. If the cost of your health and dental options is more than your HSBC credits, you will pay the difference.
- If you have credits left over, they will be deposited into your Health Spending Account (HSA).

## Additional Life Insurance

You will have the opportunity to purchase additional life insurance for yourself and your spouse.

# How Retiree Benefit Choices Works



# Who Is Eligible for Retiree Benefit Choices?

Retiree Benefit Choices provides benefits coverage for you, your spouse and each eligible dependent child if you meet the following eligibility criteria. You and your eligible dependants must be enrolled in your provincial, government-sponsored health program to be a participant of this program.

## You

To qualify as a retiree with coverage under this program, you must satisfy the following criteria:

- You retire from active status as a regular full-time or part-time employee with more than a 20% full-time schedule or with a credit share greater than 20%. If you worked less than 20% of a full-time schedule or if your credit share is less than 20%, you are not eligible for flex credits.
- You have completed 10 years of active consecutive service with HSBC (or HSBC Financial for service prior to January 1, 2014).
- You retire directly from HSBC within 10 years of normal retirement age in the pension plan, or within 10 years of age 65 if not in a pension plan.
- If you are retiring from a disabled status, you must have 10 years of full-time active service prior to your disability commencement date.

### **You Must Register All Eligible Dependants for Retiree Benefit Choices**

Retiree Benefit Choices makes it easy and cost-effective to cover your spouse or partner and dependent children for benefits coverage.

If your spouse and/or children qualify as dependants, you must include them during enrolment.

In general, you must choose one of these health and dental coverage categories (even if your spouse has a benefits plan through his or her employer):

- Retiree plus 1 dependant, or
- Retiree plus 2 or more dependants

If you decline to register all dependants, you will be provided with default coverage only (Option 1 for both health and dental) or your participation in the retiree program may be suspended.

In some cases, if your spouse is covered by an employer's plan, you may be able to remove your spouse from coverage. See "If your spouse is covered through their employer's plan" on page 7.

## Your Spouse

Your spouse is also eligible for Retiree Benefit Choices. You can cover only one spouse or partner. Your spouse will be **the person identified at the time your active employment ended and your retirement commenced**. Your spouse is defined as:

- ✓ The person you are legally married to or joined to by a formal union recognized by law at the time of your retirement; or a domestic partner with whom, at the time of your retirement, you have lived in a committed relationship for 12 months or longer and who is publicly represented as your spouse or partner.

### Important!

#### If you separate from your spouse or get divorced

If you separate from your legally married spouse, you may continue coverage for your spouse. If you divorce, your spouse is no longer eligible. If you separate from your common-law partner, coverage is no longer available to that partner.

#### If your spouse is covered through their employer's plan

If your spouse/partner at the time of your retirement from HSBC has benefits coverage through an employer's program, you may decide, on a one-time exception basis, that you do not want to provide them with benefits coverage under your HSBC Retiree Benefit Choices program. You may remove them as an eligible dependant (on this one-time exception basis), thereby reducing your coverage category. You will need to provide this request to the HSBC Pension Department in writing.

Please note that on a one-time basis, you will be able to add this dependant (spouse/partner at the time of retirement) back onto your retiree program by providing, within 30 days of the change, written notice that your spouse's coverage with their employer has ended. Send all requests for removing your spouse and subsequently adding your spouse back onto the plan, to the Pension Department at: [hbcapension\\_department@hsbc.ca](mailto:hbcapension_department@hsbc.ca). No further participation changes will be allowed for your spouse, except in the event of an eligible life event.

For all other life-event enrolment changes, contact Sun Life AdminPlus within 30 days of the event.

#### Does Your Spouse Have a Benefits Plan?

If your spouse has a benefits plan through their employer, you can co-ordinate benefits. This means you can submit claims to both plans to receive up to 100% reimbursement for your eligible health and dental claims.

To co-ordinate benefits, you both must enrol in your employer plans and cover each other. See page 33 for details.

### What Is a Dependant?

A dependant is an eligible spouse or child who is defined as a dependant at the time you join the Retiree Benefit Choices program.

If you divorce and remarry while covered by the Retiree Benefit Choices program, your new family will not be eligible. Further, a surviving spouse cannot enrol a new partner or dependent child(ren) in the HSBC plan.

## Your Dependent Child or Children

Your child will be eligible for coverage if **all of the following criteria are met**. The child:

- Is a natural or adopted child, or a child of your spouse or domestic partner who was identified as your child at the time of your retirement;
- Is unmarried;
- Is financially dependent on you; and
- Meets these age criteria:
  - Is under age 19; or
  - Is a student aged 19 to 24, inclusively, who is registered as a full-time student at a university or similar institution (becomes ineligible on the child's 25th birthday); or
  - Is a student aged 25 – if you live in Quebec. The child's coverage applies to RAMQ prescription drug expenses only and ends on their 26th birthday. All other health/dental expenses become ineligible on the child's 25th birthday.

Please note that each year, you must verify the student status of children age 19 and over.

Children of any age are eligible if they are disabled and financially dependent on you. These children must have become disabled when covered by you when they still met the definition of a dependent child.

### When Your Child Turns 19 and is not a Full-Time Student

When your children turn 19, they are ineligible for coverage under the program if they are no longer full-time students. You must remove them as dependants (this may impact your coverage category), otherwise you may be paying for coverage you can't use.

### When Your Child Turns 19 and is a Full-Time Student

If your child is a full-time student, contact Sun Life and confirm their student status to ensure their eligibility is maintained.

During each annual enrolment, while your child is still a full-time student and under age 25, you must confirm their continued student status through the Sun Life enrolment tool to ensure coverage under your benefits program.

### When Your Child Becomes Ineligible

Once a child no longer meets the eligibility criteria, they cease to be covered. Coverage is discontinued automatically for children who are over the age limit.

#### What you need to do:

- Re-enrol through a life-event change within 30 days of your child becoming ineligible. Change your health and dental options in order to reduce your expenses.
- If this is not done within 30 days, you will need to wait until the next annual enrolment to make any changes. If you delay in discontinuing coverage, you may be paying for coverage you cannot use.



# Learn About Your Core Benefits

## Core Benefits

HSBC provides all retirees with Core Benefits. Your Core Benefits form the foundation of your benefits program and include:

- Basic Life Insurance
- Employee Assistance Program
- Banking Advantages

## Basic Life Insurance

Participants who qualify for Retiree Benefit Choices receive \$10,000 of Basic Life Insurance coverage.

## Employee Assistance Program

The Employee Assistance Program provides short-term professional counselling to help you and your dependants with a variety of problems and issues, including:

- Life transitions
- Family
- Health
- Personal and emotional issues
- Financial consultation
- Legal consultation

Counselling sessions are provided at no cost to you or your eligible dependants. The counselling service through Homewood Health, Inc. is available 24 hours a day by contacting:

- English service hotline: **1-800-663-1142**
- French service hotline: **1-866-398-9505**

For more information, visit HRDirect or go to [www.homewoodhealth.com](http://www.homewoodhealth.com).

### Remember to Designate Your Beneficiary!

Submitting a signed *Beneficiary Form* makes your designation valid. It also ensures that:

- ✓ Your Life Insurance benefits are immediately paid to your beneficiary (rather than your estate).
- ✓ The benefits are not paid to someone you don't want to receive them.

If there is no signed form on file, your insurance benefit will be paid to your estate.

Log into [mysunlife.ca](http://mysunlife.ca) and use Sun Life's online beneficiary feature. Go to the profile icon at the top, right-hand side of the homepage. Next, select **Personal Information**, then select **Beneficiary Information**, and follow the steps to enter your beneficiary information.

## Banking Advantages

When you qualify for Retiree Benefit Choices, you automatically continue to qualify for the staff banking benefits program, which includes beneficial rates on loans and mortgages. Check with your branch should you have questions.

Retirees are eligible to become HSBC Premier or HSBC Advance. General qualifications are based on maintaining deposits and investments with HSBC. Detailed information and qualification criteria can be found at **[www.hsbc.ca](http://www.hsbc.ca)**.

Your salary for special rates on staff loans and mortgages will be your income from all sources which includes pension, and any government pension program.

---

# Learn About Your Benefit Options

## Health and Dental Options

- At each annual enrolment, HSBC provides you with credits to help pay for your health and dental benefit options.
- Once you have selected your options, any remaining credits are allocated to your HSA.

### Changing Your Health and Dental Coverage in the Future

You may change your health and dental coverage only at annual enrolment or within 30 days of a life-event change. You may choose any health or dental option if you experience a life-event change.

If you do not re-enrol during the annual enrolment period, your coverage will be carried forward to the next calendar year with your premiums automatically updated to the new rates.

## Your Credit Share

You will receive credits based on your years of service and Full-Time Equivalent (FTE) category. Your share of credits will be determined when you join the plan and will continue for the duration of your participation. Your share of credits is calculated by multiplying your service and FTE credit share.

FTE Category	FTE Credit		Service	Service Credit		Credit Category	FTE Credit
< 20%	0%	<b>X</b>	< 10 years	0%	<b>=</b>	<20%	\$0
20%-39%	30%		10-14 years	30%		20%-39%	\$648
40%-59%	50%		15-19 years	50%		40%-59%	\$1,080
60%-79%	70%		20-24 years	70%		60%-79%	\$1,500
80%-100%	100%		25+ years	100%		80%-100%	\$2,148

Credits will be prorated if initial enrolment is part way through the benefit year.

### Examples:

- An employee working 60% FTE, with 12 years of service prior to joining the plan, will have a calculated credit of \$648. This is derived by multiplying an FTE Credit of 70% by a Service Credit of 30%, which equals 21% and puts the employee in the 20%-39% Credit Category:

FTE Category	FTE Credit		Service	Service Credit		Credit Category	FTE Credit
60%-79%	70%	<b>X</b>	10-14 years	30%	<b>=</b>	20%-39%	\$648

- An employee working 30% FTE, with 12 years of service prior to joining the plan, will have a calculated credit of \$0. This is derived by multiplying an FTE Credit of 30% by a Service Credit of 30%, which equals 9% and puts the employee in the <20% Credit Category:

FTE Category	FTE Credit		Service	Service Credit		Credit Category	FTE Credit
20%-39%	30%	<b>X</b>	10-14 years	30%	<b>=</b>	<20%	\$0

## FTE Category

If you were a part-time employee, your FTE category for the determination of your credit share is your average FTE calculation for the last 3 years that you participated in the Benefit Choices program for active employees.

## Service

Service accrues throughout your continuous regular part-time or full-time employment with HSBC or a company acquired by or merged with HSBC up to your last day worked. Temporary or contract service employment periods are not considered under the service calculation.

## Prices

The prices for health and dental options under Retiree Benefit Choices will differ from those offered under active Benefit Choices since the prices of the options are based on the participant group.

## Your Credit Share to Your Surviving Dependants

Surviving spouses and dependants who were covered by Retiree Benefit Choices at your death will be eligible for 70% of your credit share provided they meet the eligibility criteria.

---

## Gradual Retirement

If you are a full-time employee with 25+ years of service and are considering a status change to regular part-time as you transition to retirement, HSBC will grandfather your full-time service credit at 100%.

## Health Options

The health plan offers you a choice of five health options. Each option reimburses your expenses at a different level. If you cover your dependants, the maximums shown are for *each person* covered by the plan. **Expenses are eligible for coverage only up to the reasonable and customary charge, as determined by Sun Life.**

Your Coverage Options						
Feature	Option 1	Option 2	Option 3	Option 4	Option 5	
Lumino Health Virtual Care	Available 24/7 for Options 1, 2, 3, and 4				No coverage: This option is only available for retirees and their dependants (except those who reside in Quebec) that have exhausted their lifetime maximum of \$100,000 (for the family unit). You can select this option where there is no coverage and no premium charges.	
Prescription drug coverage and drug card	Minimum coverage level available until the lifetime maximum of the health benefit has been reached.  Reimburses 100% of eligible expenses (up to the plan maximums) if your expenses exceed \$10,000.	Reimburses <b>40%*</b> (maximum \$6.50 per dispensing fee)	Reimburses <b>70%*</b> (maximum \$8.00 per dispensing fee)	Reimburses <b>90%*</b> (maximum \$9.50 per dispensing fee)		
Coverage for all other eligible health expenses (Including a wide range of health services and supplies, and hospital stays)		Reimburses <b>40%*</b> up to the plan maximums	Reimburses <b>70%*</b> up to the plan maximums	Reimburses <b>90%*</b> up to the plan maximums		
Protection from the cost of catastrophic illness or injury in any plan year		Reimburses 100%* of eligible expenses (up to the plan maximums) if your expenses exceed \$6,000	Reimburses 100%* of eligible expenses (up to the plan maximums) if your expenses exceed \$3,000	Reimburses 100%* of eligible expenses (up to the plan maximums) if your expenses exceed \$1,000		
Out-of-country coverage	Travel Assistance Plan plus 100%* reimbursement of eligible out-of-country emergency health expenses up to the overall lifetime maximum					No coverage
Overall lifetime maximum for eligible health expenses	\$100,000 lifetime maximum for ALL eligible health expenses					No coverage

Consider combining Option 1 or 2 with your spouse's plan and spending your unused credits in other ways.

Options 3 and 4 are designed for retirees who rely on Retiree Benefit Choices as their primary source of supplemental health coverage.  
Option 4 provides the top level of coverage.

\* Reimbursements are applied to eligible expenses up to the reasonable and customary amount as determined by Sun Life. Charges above the reasonable and customary amount are not eligible for reimbursement.

## Important Information for Quebec Residents

If you reside in Quebec, provincial law requires that you and your dependants have a minimum level of prescription drug coverage. Therefore, you must choose Option 3 or 4 and cover all eligible dependants, unless you have coverage elsewhere that meets the minimum requirement (for example, your spouse's plan). If you choose either of these options, Sun Life will ensure that your coverage meets the RAMQ minimum requirements. At age 25, dependent children who are full-time students are covered for RAMQ prescription drugs only. This coverage ends on the child's 26th birthday.

You may choose Option 1 (Core) or 2 if you have coverage elsewhere that meets the requirement and you can provide proof of coverage, if asked by Sun Life. You are responsible for making sure that you have coverage that meets the minimum provincial requirements.

If you or your dependants have reached the lifetime maximum under the HSBC plan, HSBC will continue to pay for RAMQ required drugs on an exception basis. In this situation, you will continue to join Option 3 health, but the price of the option coverage will be adjusted to reflect RAMQ premium charges. Contact Sun Life AdminPlus for assistance.

## Examples of Coverage and Limits for Health Services and Supplies

Your reimbursement will be based on the option you choose, and the maximums shown in the chart below.

Health Services and Supplies	Maximum Coverage
Hospital Room <ul style="list-style-type: none"> <li>• Private or semi-private room</li> <li>• Convalescent hospital</li> </ul>	Maximum \$200/day Maximum \$50/day for up to 120 days
Private-duty nursing	Maximum of \$25,000 per 3 years
Vision care	Maximum of \$350 plus 1 eye exam per 2 years (1 eye exam per year for children under age 19)
Paramedical services*	Maximum of \$1,500 per year for all services combined Doctor's referral not required
Orthotics and orthopedic shoes	Maximum of \$350 per year for orthotics Maximum of \$500 per year for orthopedic shoes
Hearing aids	Reasonable and Customary allowance once per 5-year period
Maximum for eligible health expenses**	\$100,000 lifetime maximum for eligible expenses

\* Includes services of a physiotherapist, massage therapist, audiologist, chiropractor, naturopath, speech therapist, psychologist, podiatrist, chiropodist, osteopath, family therapist, clinical counselor, acupuncturist, dietician, social worker and occupational therapist.

\*\* Includes out-of-country coverage.

## Eligible Health Expenses

### Prescription Drugs

- Includes drugs that require a prescription, diabetic needles and syringes, injected serums and injected vitamins used to treat a deficiency.
- Where a generic version of a drug exists, reimbursement will be based on the cost of the generic version.
- There are maximums for selected drugs, such as fertility drugs and smoking cessation products that require a prescription (\$2,000 lifetime maximum for each category).

Call Sun Life if you have questions about maximums and whether your medication is covered by the plan at **1-800-361-6212** Monday to Friday 8:00 a.m. – 8:00 p.m. Eastern.

---

### Health Services and Supplies

- Includes a broad list of eligible medical services (such as ambulance services) and supplies (such as casts and a wheelchair).
  - All reimbursements will be based on reasonable and customary charges for services and supplies. The list of eligible expenses is continually reviewed and is subject to change at any time.
  - There are no guarantees that services currently covered by provincial medical plans will be covered by your HSBC plan if a province ceases to cover a service.
- 

### Paramedical Services

- Includes treatment by a physiotherapist, massage therapist, audiologist, chiropractor, naturopath, speech therapist, psychologist, podiatrist, chiropodist, osteopath, family therapist, clinical counselor, acupuncturist, dietician, social worker and occupational therapist.
  - The plan will reimburse a maximum of \$1,500 in total for these services in any one year.
  - A doctor's referral is not required.
- 

### Lumino Health Virtual Care

- As part of the Extended Health plan, you and your dependants have 24/7 access to Sun Life's virtual walk-in clinic service.
- This service allows you to connect with health-care professionals from home
  - Chat with a nurse or doctor about physical or mental health
  - Receive a diagnosis
  - Receive a prescription
- To set up your access, download the **Lumino Health Virtual Care** app onto your mobile device via Google Play / App Store. Or you can access the web app on your computer at <https://luminovc.dialogue.co/>. For any questions, contact Sun Life at 1-800-361-6212 (Monday to Friday from 8 a.m. to 8 p.m. ET).

## Out-of-Country Coverage

Out-of-country coverage is included in each option of coverage, except Option 5.

- **Emergency care:** All options reimburse 100% of out-of-country emergency expenses up to the overall lifetime health maximum of \$100,000. Your insurance covers you for trips for up to 90 days from your date of departure.
- **Travel Assistance Plan:** This is a 24-hour international referral service to help you find emergency medical, legal and other services when you need them.

Due to the lifetime maximum, we recommend that you purchase additional insurance when you leave the country, even if only for a day trip.

## Protection from Catastrophic Expenses (all options except Option 5)

All options include protection from a catastrophic illness or injury.

If your expenses exceed the amount outlined in each option (refer to chart on page 13), the plan will cover 100% of the remaining expenses that year (any special limits on individual expenses, such as private duty nursing, continue to apply).

## Important! Your Lifetime Maximum

The \$100,000 lifetime maximum per person applies to total claims in all the health options, including the out-of-country benefit, paid under the Retiree Benefit Choices program.

Health claims paid under the active employee benefit plan (Benefit Choices) are not applied to this maximum.

Once you and all your eligible dependants each reach the maximum, you will no longer be eligible to enrol in any health option, with the exception of Option 5, since you will not be eligible for further reimbursements from the plan.

Instead, each year your credits will be deposited directly to your HSA or applied to your dental coverage selection (should you elect this coverage).

## Making Your Health Choice: Things to Consider

- Check out your past claims. How much do you spend each year? What are your health expenses? Review the options and choose the plan that will provide you with the maximum level of coverage.
- Have you, or has anyone else in your family, been diagnosed with a chronic illness requiring ongoing medication? If so, make sure you're thinking about this as you choose your health option.
- If your spouse has health coverage, you may want to consider Option 1 and then direct your extra flex credits to your HSA to cover expenses not paid by your plan, the provincial plan or your spouse's plan (such as deductibles).

## Use your HSBC Benefit Choices Benefit Card

You can obtain a digital copy of your Retiree Benefit Choices coverage card via the Sun Life website or mobile app. This digital card provides the information your service provider needs to submit claims electronically. The Sun Life website and mobile app also have your coverage information for Travel Assistance Plan and emergency out-of-country.

Due to the overall health lifetime maximum, purchasing medical travel insurance is strongly recommended before leaving the country.



## Dental Options

The dental plan offers you a choice of four options. Each option reimburses your expenses at a different level. If you cover your dependants, the maximums shown are for *each person* covered by the plan. **Expenses are eligible for coverage only up to the amounts specified in the applicable provincial dental association fee schedules as determined by Sun Life.**

Your Coverage Options				
Benefit	Option 1	Option 2	Option 3	Option 4
Basic and major services (includes 6-month recall services)	No coverage	Reimburses <b>40%*</b> up to a maximum of \$1,000 per year per person covered	Reimburses <b>70%*</b> up to a maximum of \$2,500 per year per person covered	Reimburses <b>90%*</b> up to a maximum of \$4,000 per year per person covered
Orthodontic services (adult and child)		Reimburses <b>40%*</b> up to a lifetime maximum of \$1,000 per person covered	Reimburses <b>70%*</b> up to a lifetime maximum of \$2,500 per person covered	Reimburses <b>90%*</b> up to a lifetime maximum of \$4,000 per person covered

Consider combining Option 1 or 2 with your spouse's plan and spending your unused credits in other ways.

Options 3 and 4 are designed for retirees who will use this plan as their primary dental plan. Option 4 provides a premium level of coverage.

\* Reimbursements are applied to eligible expenses up to the amounts specified in the applicable provincial dental association fee schedules as determined by Sun Life. Charges above these amounts are not eligible for reimbursement.

## Eligible Dental Expenses

The same dental expenses are eligible for coverage under Options 2, 3 and 4, but the level of reimbursement depends on the option you choose.

All reimbursements are based on the current dental fee guide set by each provincial dental association and determined to be applicable by Sun Life.

### What's covered?

- **Basic Services:** Includes services such as 6-month recall exams, cleanings, fillings, extractions, minor surgery, and endodontic (root canal) and periodontal (treatment of gums) services.
- **Major Services:** Includes services such as dentures, bridgework and crowns.
- **Orthodontics:** Includes services and supplies related to orthodontic treatment for you and eligible dependants.

### Making Your Dental Choice: Things to Consider

- If your dental needs are minimal, Option 1 might be the right choice for you. Any dental expenses can be reimbursed from your HSA.
  - If your spouse has coverage, Option 1 or 2 might be the best option for you because you can then coordinate benefits with your spouse.
  - Talk to your dentist. Some dental treatments are predictable. If you anticipate the need for major care in the next 12 months, you may want to consider either Option 3 or Option 4.
-

## Health Spending Account (HSA)

- Depending on your health and dental choices, you may have unused credits. These credits will be allocated to your HSA.
- The HSA is a tax-effective way to spend unused credits. When you deposit credits to an HSA, you can use the credits (money) tax-free, to reimburse many eligible dental, medical and prescription drug expenses that are not covered by your HSBC plan, your provincial plan or your spouse's plan.
- If you live in Quebec, the value of claims reimbursed from the HSA will be taxed.
- Expenses claimed from your HSA do not impact the \$100,000 lifetime maximum.

For detailed information on what expenses are covered under the HSA, please visit [mysunlife.ca](https://mysunlife.ca) or call Sun Life directly for assistance.

### There Are HSA Rules

When it comes to your HSA, remember the rules that are set by the Canada Revenue Agency:

- You have one (1) plan year to use each year's deposit. If you don't use it, you lose it!
- You may carry forward for one (1) year claims that are not yet reimbursed. (Sun Life **must** receive these claims before the mid-February deadline of the following year, or they will expire.)
- You must have an active HSA in the year an expense occurs, even if you plan to carry that expense forward to the next year.
- Once credits go into the HSA, they may not be withdrawn as cash or transferred elsewhere.

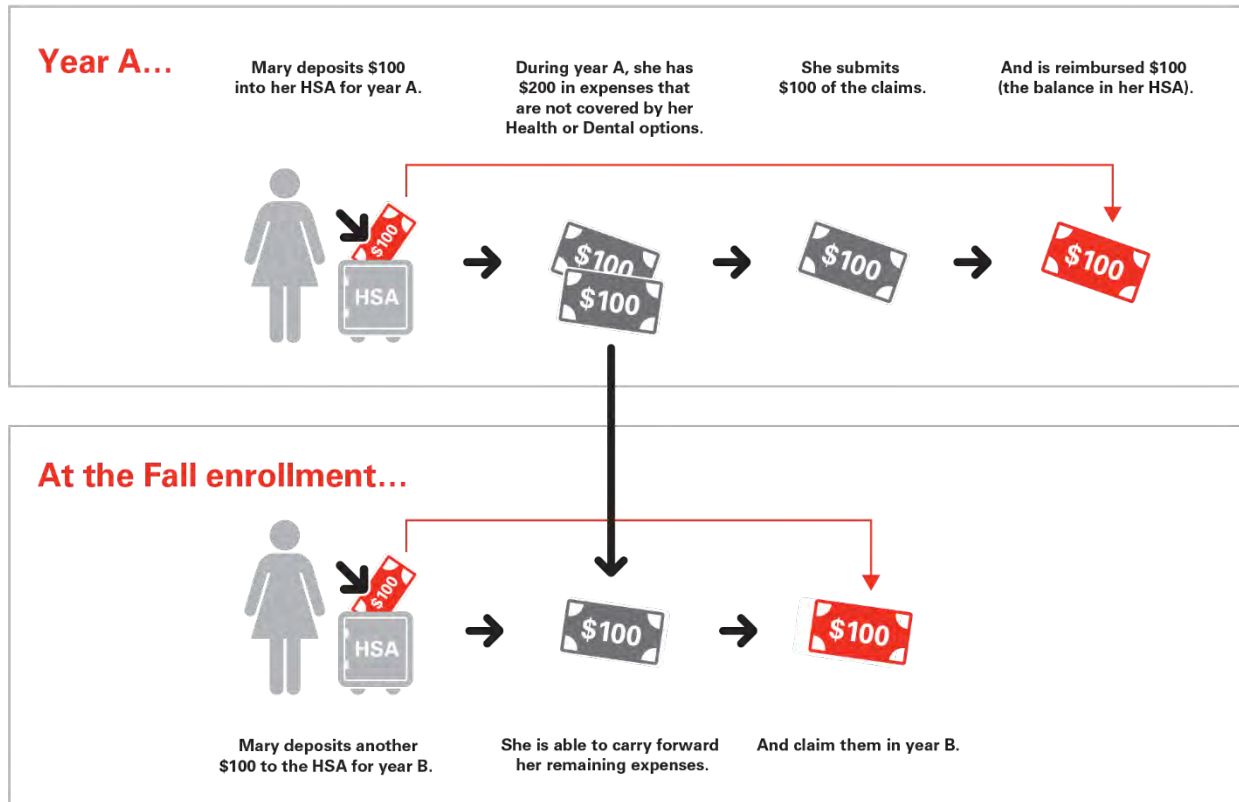
### Transferring from Benefit Choices to Retiree Benefit Choices Mid-Year

If you transfer to the Retiree Benefit Choices program midyear, your Benefit Choices HSA credits must be used within 60 days of your termination of coverage under the active Benefit Choices program. Please be sure to submit your expenses to Sun Life for processing.

## How the HSA Works

- Credits will be deposited annually to your HSA in a single deposit.
- Sun Life administers your HSA. You can submit eligible dental and medical claims to your Sun Life HSA using the same claim forms used for health and dental expenses.

### An Example Using Your HSA Balance



## Additional Dependants Who Are Eligible Under Your HSA

In addition to your eligible dependants that are covered under health and dental, you may also submit HSA claims for relatives if they are financially dependent on you and reside in Canada (provided you claim them as dependants on your income tax return). They may include your or your spouse's grandchild, parent, grandparent, brother, sister, uncle, aunt and niece or nephew.

You do not have to enrol these additional eligible relatives to submit HSA claims for them. You will be asked for the relationship on the claim form.

**Examples of Eligible Expenses**

- ✓ Your share of dental or health expenses that are not covered under the Retiree Benefit Choices program or your spouse's plan.
- ✓ Any portion of the cost of prescription glasses, contacts or sunglasses that your health option does not cover.
- ✓ Expenses for dentures, orthodontics, cosmetic dentistry and other expenses that are not fully covered by your dental option.
- ✓ Adaptive devices for hearing or sight-impaired individuals (example, for a computer or telephone).
- ✓ Premiums paid for individual health/dental plans.
- ✓ Any medical expense that is an eligible tax deduction under the Income Tax Act and related regulations.

Call Sun Life at **1-800-361-6212** or visit **[mysunlife.ca](http://mysunlife.ca)** to find out if an expense can be claimed under your HSA.

## Additional Life Insurance

This additional Life Insurance pays a lump sum benefit if you or your spouse dies. To purchase additional Life Insurance:

- Call Sun Life Financial at **1-877-893-9893** within 60 days of your termination of employment.
- The Sun Life Contact Centre will ask you a few questions and if you are in good health, you will be provided with the opportunity to purchase additional Life Insurance.
- The insurance can be purchased in increments of \$1,000 based on the amount of coverage you and/or your spouse/partner had under the existing Group Life coverage, prior to your retirement, subject to a \$1,000,000 maximum.
- The Life Insurance coverage will reduce by 50% immediately before the policy anniversary and your spouse's 70th birthday.

While HSBC provides you with a Core level of Basic Life Insurance (\$10,000), you have the opportunity to purchase additional life insurance for your spouse and for yourself from Sun Life Financial.

Premiums for this coverage are paid directly to Sun Life Financial by pre-authorized debit.

### Making Your Additional Life Insurance Choice: Things to Consider

- Consider the amount of income your spouse/partner or dependent children will need.
- Consider the amount needed to pay living and care expenses. You may have a spouse or child that needs medical care.
- Consider the amount of debt you have.
- What additional income would you need to replace your spouse's income?
- Consider all other income available to your beneficiaries such as survivor benefits from a pension plan, survivor benefits from the Canada/Quebec Pension Plan, or life insurance policies you might hold privately or through church, alumni or professional associations.
- Consider other financial assistance that may be available through your spouse's plan or plans sponsored through your financial institutions such as mortgage insurance in the event of death.

# 2023 Annual Enrolment

## Key Information

Each year, you are given an opportunity to review your options selected under the Retiree Benefit Choices program and make changes. This year's annual enrolment runs from **November 28 to December 9, 2022**.

### Here's a summary of what's changing for 2023:

- **Annual enrolment is November 28 to December 9, 2022.**  
If you want to make changes to your coverage for 2023, you can do so during the annual enrolment period.  
**NOTE:** The enrolment system will not be available during the week immediately following the annual enrolment period but will reopen for new-retiree enrolments and life events thereafter.
  - **Flex credits:** Will not change for 2023.
  - **Pricing of the health and dental coverage options:** There is a slight increase in some price tags for 2023.
-

# 2023 Credits and Pricing

Each year, you receive credits to purchase health and dental coverage. Any remaining credits are allocated to your Health Spending Account (HSA).

**1st**

Choose your Health and Dental Options

**2nd**

Any remaining credits will be allocated to your HSA

## Health and Dental Prices for 2023

2023 Annual Health Prices				
Coverage Category	Option 1	Option 2	Option 3	Option 4
Retiree only	\$102	\$1,404	\$2,460	\$4,782
Retiree + 1 dependant	\$114	\$1,770	\$3,060	\$5,976
Retiree + 2 or more dependants	\$150	\$2,112	\$3,684	\$7,188

2023 Annual Dental Prices				
Coverage Category	Option 1	Option 2	Option 3	Option 4
Retiree only	\$0	\$630	\$1,254	\$2,286
Retiree + 1 dependant	\$0	\$786	\$1,578	\$2,868
Retiree + 2 or more dependants	\$0	\$930	\$1,908	\$3,432



# How to Enrol

## New Retiree Enrolment

Sun Life Financial administers the Retiree Benefit Choices program.

When you retire, HSBC will advise Sun Life of your eligibility to join the Retiree Benefit Choices program. Sun Life will contact you and provide information on your options, pricing, and how to enrol in the program. Also provided will be information on when you may enrol through the Sun Life enrolment tool on [mysunlife.ca](https://mysunlife.ca). You will need your Sun Life access ID and password to access the enrolment tool and information.

Your coverage under the active benefit program will stop, so it is important that you enrol in the Retiree Benefit Choices program as soon as it is available.

As a new participant, you will have 30 days to make your coverage selection with Sun Life. The 30 days will commence when Sun Life updates their system and sends your enrolment package to you.

During the 30-day enrolment period, you will automatically receive **default coverage** until your coverage selection is processed. If you don't enrol within the 30-day period, you will remain in default coverage until the next annual enrolment or life event. If you are unable to access the Sun Life Member Enrolment Tool within the 30 days, call Sun Life for assistance.

If your new-retiree enrolment falls within the annual enrolment period, complete your new-retiree enrolment first, followed by your annual enrolment to ensure you have coverage for both the remainder of the current benefit year and the upcoming new benefit year.

If your new-retiree enrolment falls after annual enrolment but before the beginning of 2023, you can just complete your new-retiree enrolment. Your choices for 2022 will automatically be carried over into 2023.

## Default Coverage

If you don't enrol within 30 days of your retirement and/or eligibility to join the Retiree Benefit Choices program, you will receive default coverage as indicated in the chart below. If you have any credits in excess of the amount needed for the default coverage, those excess credits will be deposited to your HSA.

	Health Option	Dental Option
Quebec residents	3	1
Residents of other provinces	1	1

**Quebec Retirees:** To comply with RAMQ requirements, you must enrol in Option 3 health coverage. If your credit allowance does not cover the cost of the premiums and you do not pay your premiums, your health coverage will be suspended for the remainder of the benefit year. If you have any excess credits, they will be deposited to your HSA.

## Annual Enrolment

Annual enrolment normally runs for a two-week period, from late November to early December. You will receive information about the credits and prices for the following year via mail or email. You will also have the opportunity to update your dependant information and select your benefits coverage for the next calendar year. Note that credits are frozen and do not increase each year.

- Sun Life will send your annual enrolment information to your home address or via email. This will include any changes to the program, pricing information and dates of the annual enrolment period.
- Enrol through the Sun Life Member Enrolment Tool on **mysunlife.ca**. You will need your Sun Life access ID and password to access the enrolment tool and information.
- If you are planning on being out of the country at the time of annual enrolment, you can access the Sun Life website anywhere. You can also call their toll-free international telephone number **1-800-9876-5470**, to make sure you do not miss the enrolment deadline.
- Enrolment is no longer mandatory. If you are satisfied with the level of coverage you have selected, credits and pricing will be automatically updated. Sun Life will send you revised invoice statements to confirm the new premium deductions for the coming year.

### Enrolment Suspension Period

The enrolment tool will be unavailable for a short period of time each year – during the week following the annual enrolment period. Should you have an enrolment event during this suspension period, you will need to wait until the following week to action your enrolment event.

If you have any questions, please contact the Sun Life AdminPlus Team for assistance.

## Paying Your Premiums

When you choose your coverage, any premium payments are to be paid directly to Sun Life. This includes premiums for:

- ✓ Health options
- ✓ Dental options
- ✓ Additional life insurance

Once the enrolment is completed, premium payments are to be made directly to Sun Life by a *Pre-Authorized Debit Form*:

### **Sun Life – Pre-Authorized Debit (PAD) Form**

- A Sun Life PAD form will be provided at time of invoicing for a new plan-member enrolment. Once the completed PAD form is received by Sun Life, you will no longer be required to submit a new one when you make a change to your coverage that results in an adjustment to your premium payments. Any changes to your premiums will automatically be adjusted and your account debited accordingly.
- For your records, Sun Life will continue to provide invoicing/statements confirming the required premium payment, the account from which the amount will be automatically debited, and your existing pre-authorized banking instructions. Should your banking information change, you will need to advise Sun Life accordingly so that your pre-authorized instructions can be updated. Completion of a new PAD form will be required. The Sun Life PAD form is available through the Sun Life website at **mysunlife.ca** (under **Enrolment and coverage summary** in the “**Forms**” section).

### **Non-Payment of Premiums**

- Premium payments must be received by Sun Life within 60 days of enrolling in this program.
- If you are re-enrolling, premiums must be paid to continue coverage and payment must be received within 30 days of invoicing.
- Should you have insufficient funds in your account to pay your premiums, Sun Life will contact you and provide you with notice of payment due, which must be received within 14 days of issue. Should your premiums continue to be outstanding, coverage will be suspended for the remainder of the benefit year. You will have the opportunity to enrol at the next annual enrolment. This includes Quebec retirees who do not pay their premiums.

# Changing Your Coverage After You Enrol

## Life-event Changes

After your first enrolment, Retiree Benefit Choices continues to give you opportunities to update your benefits to meet the changing needs of you and your family.

### Life Events

- If you experience a qualifying life event, you may make changes to your benefit coverage by calling Sun Life AdminPlus for assistance.
- It is your responsibility to act within 30 days of the event. Your benefit changes will be retroactive to the date of your life event.
- If you miss the 30-day deadline, your next opportunity to update your coverage will be the next annual enrolment period.
- If your premiums change, Sun Life will advise you of the changes to your preset amount, and automatically update the monthly deduction (because you have already provided Sun Life with a *Pre-Authorized Debit Form*). If your enrolment change requires a refund, they will contact you and arrange the repayment of premiums.

### What are Life Events?

Life events include:

- Divorce, separation or end of a common-law relationship
- Loss of a child's status as a dependant
- Your spouse gains or loses benefits coverage (with HSBC approval)
- Death of a spouse or child
- Relocation to/from Quebec (due to unique tax implications)
- Employment status change, such as your return to work

**Reminder:** All premium payments are to be paid directly to Sun Life by pre-authorized debit (PAD). Personal cheques are no longer accepted.

# Returning to Work

If you return to work, your coverage under the Retiree Benefit Choices program will continue. If you have returned to work for HSBC Canada in a permanent position, you will also participate in the active employee Benefit Choices program. Since you will have coverage under both the retiree and active employee programs, you may want to choose a lower level of coverage under one of the two plans so that you are not paying for more coverage than you need. Returning to work is considered a Life Event under the Retiree Benefits Choices program that allows you to make coverage changes, provided you initiate the Life Event within 30 days from the time you return to work.

**Note:** The co-ordination of coverage rules specify that you are covered under the active employee plan first and that any remaining costs will be covered under your retiree plan.

## Co-ordinating Coverage with Another Benefits Plan

If you are covered by another employer's benefit plan while you are an HSBC retiree, your new employer's benefit plan will be the first payer for your health and dental claims while the HSBC plan will be second payer. Be sure to indicate that you have retiree benefit coverage with HSBC when you enrol in the new plan and advise HSBC simultaneously. You may also be asked to confirm your coverage at the point of claim.

This process will help protect your Retiree Benefit Choices program coverage and avoid incurring claims against your lifetime maximum unnecessarily.

Should you purchase individual health insurance, please contact Sun Life directly to determine the order for claims submission for co-ordinating your benefit coverage.

---

# Supporting You

Have questions? We're here to help!

Contact...	For Questions About...	How to Reach Them...
<b>Sun Life AdminPlus</b>	Enrolling in the benefits programs including: <ul style="list-style-type: none"> <li>• Updating your dependants</li> <li>• New enrolment</li> <li>• Life events</li> <li>• Enrolment/changes and paying all your premiums for your coverage</li> <li>• Additional Life Insurance</li> </ul>	<p><b>Call:</b> <b>1-866-881-0583</b>, Monday – Friday, 8:00 a.m. – 8:00 p.m. Eastern Time</p> <p><b>Email:</b> Through the secure message option on the Plan Member Services website, <b>mysunlife.ca</b></p> <p><b>Mail:</b> Sun Life Financial AdminPlus Team (603C30) PO Box 11010 STN CV Montreal, QC H3C 4T9</p>
<b>Sun Life Call Centre Team</b>	Claims and coverage inquiries	<p><b>Call:</b> <b>1-800-361-6212</b></p> <p><b>Email:</b> through the secure message option on the Plan Member Services website, <b>mysunlife.ca</b></p> <p>Before you call/contact them, have the following ready:</p> <ul style="list-style-type: none"> <li>✓ This guide</li> <li>✓ Your policy number:               <ul style="list-style-type: none"> <li>○ For retirees of HSBC Bank Canada and subsidiaries: <b>153049</b></li> <li>○ For retirees of HSBC Global Services Canada Ltd: <b>153399</b></li> </ul> </li> <li>✓ Your Member ID: This is your 8-digit employee ID</li> </ul>
<b>HSBC Pension Administrator</b>	Our Retiree Benefit Choices benefit policies	<p><b>Email:</b> <b>hbca_pension_department@hsbc.ca</b></p> <p><b>Mail:</b> HSBC Canada Human Resources – P&amp;R Pension Team 885 West Georgia Street Vancouver, BC V6C 3G1</p>

# Tips for Making Claims

Knowing how and when to submit claims will help you get the most value from your benefits.

## For Retirees of HSBC Bank Canada and subsidiaries:

You can submit your claims electronically through the Sun Life Member Services website or mobile app. Your claims will be automatically submitted to the new plan (153049).

## For Retirees of HSBC Global Services Canada Ltd:

You can submit your claims electronically through the Sun Life Member Services website or mobile app. Your claims will be automatically submitted to the new plan (153399).

## Go Green!

Submitting claims is easier than ever! There are three paperless ways to submit claims:

### 1 Through your healthcare professional

Many health and dental claims can be submitted electronically to Sun Life either by a dentist, pharmacy or paramedical practitioner (if they are members of the TELUS Solutions network).

### 2 Online

You can also submit claims directly through the Sun Life website.

- Sign in to Sun Life at [mysunlife.ca](https://mysunlife.ca) (you will need your access ID and password).
- On the **Benefit** page, select **Submit a claim**.
- If the header **Submit a claim** appears, you can submit a claim online. Choose the appropriate claim type (e.g., paramedical, vision) and follow the easy steps to submit.

### 3 Through your mobile device

Submit and track claims through **my Sun Life Mobile**. Download the app for iPhone, Blackberry and Android devices. Search for "my Sun Life Canada" and install it on your phone! The app allows you to:

- Submit your claims to have them instantly processed. If you are required to give documentation, you can do that easily by snapping a photo of your receipt;
- Track your claim history;
- Find your health and dental coverage details and check your HSA balances; and
- Use the drug lookup tool to find out what percentage of your prescription drugs are covered under your plan – and more!

### Get Reimbursed Directly. Sign Up for Direct Deposit!

If you haven't yet signed up for direct deposit or online claims, please register at [mysunlife.ca](https://mysunlife.ca). You will need your contract number and Member ID number, which you will find on your coverage card, your claim statement or your new Plan Member welcome letter. Getting reimbursed through direct deposit is faster and the money goes right into your bank account!

## Health Spending Account Claims

There are two ways to submit HSA claims:

### Submit one expense at a time

The paper *Health and Dental Claim Form* includes a tick box to request that your claim be reimbursed automatically from both the health or dental plan, and your HSA (up to the available balance).

### Submit all your expenses at the end of the year

You may also download an *HSA Claim Form* if you want to gather your claims and submit them separately to your HSA later in the year when your balance is large enough to cover them.

**Remember, any unused balance in your HSA at the end of the year will be forfeited.** But you can carry expenses forward and submit them the next year, after you allocate more credits to the account. You must have an active HSA (i.e. credits assigned to it) in the year an expense occurs, even if you plan to carry that expense forward to the next year.

### Deadlines for Submitting Claims

- **For health and dental claims:** Expenses can be submitted within 60 days from the end of the year in which the expenses occurred.
- **For HSA claims:** Expenses for the HSA can be submitted during the calendar year in which they are incurred and must be *received* by Sun Life before the mid-February deadline of the following year. These expenses can also be claimed against the following year's HSA (if you have one).

### Checking Your Claims History

You can check your claims history at [mysunlife.ca](https://mysunlife.ca) or, if you have the mobile app, using your mobile device.



## Co-ordinating Benefits with Your Spouse

If your spouse has a benefits plan, you can submit a claim to both plans and be reimbursed for up to 100% of the expense. After you submit a receipt to one plan (using a claim form or drug card), you will receive a *Statement of Claim* (or *Explanation of Benefits*). Submit this statement with a new claim form to the second plan.

It's important that you follow this order established by the insurance industry:

- **Your claims:** Submit them to your HSBC plan first.
- **Spouse's claims:** Submit them to your spouse's plan first.
- **Children's claims:** If your birthday is first in the calendar year, submit children's claims to your HSBC plan first. If your spouse's birthday is first, submit the claim to your spouse's plan first.
- **Different rules may apply for children's claims in the event of separation/divorce or shared custody.** Please contact Sun Life for assistance.

### Not sure?

**Call Sun Life to see if a prescription is approved.**

Call **1-800-361-6212**. You will need your:

- ✓ **Policy number:**
  - For retirees of HSBC Bank Canada and subsidiaries: **153049**
  - For retirees of HSBC Global Services Canada Ltd: **153399**
- ✓ **Member ID:** This is your 8-digit employee ID

# Income Tax and Credits

Taxes may apply to your credits and some benefits.

## What is a Taxable Benefit?

This table summarizes, at the time this guide was prepared, whether the following premiums/contributions paid by HSBC on your behalf will be included in your employment income:

Premiums Paid by HSBC	Taxable Benefit for Purposes of:	
	Federal Income Tax	Quebec Income Tax
Basic Life Premiums	Yes	Yes
Health and Dental, including HSA	No	Yes

Credits used for claims under the HSA are not included in your employment income (except in Quebec; see below).

## Sales Tax

Provincial sales tax or HST may apply in some provinces such as Ontario, Quebec and Manitoba. Applicable taxes will be charged accordingly.

## How taxable benefits are calculated in Quebec

### Health and dental benefits

The taxable benefit is equal to the value of the coverage (including the total cost of benefits, expenses for the administration of the plan and related taxes) minus the total contribution paid by the employee during the year. You are taxed on the amount that HSBC contributes to your coverage under these plans.

The health and dental taxable benefits will be calculated by a third-party consultant and will be reported to the retiree for their disclosure to the Quebec tax authorities as part of their annual personal tax filing. The taxable benefit amount will be based on your level of coverage in the benefit year.

### Health Spending Account (HSA)

The taxable benefit is equal to the value of credits used during the year, plus administration fees and applicable taxes.

# Glossary

## Co-ordination of Benefits

If your spouse has a health and/or dental benefits plan, insurance industry rules allow you to submit claims to both plans. The combined reimbursement from both plans cannot exceed 100% of the expense.

## Coverage Category

There are three HSBC coverage categories for health and dental that indicates the number of eligible dependants you are covering:

- Retiree only
- Retiree plus 1 dependant
- Retiree plus 2 or more dependants

The coverage category is assigned automatically based on the number of dependants you enrol.

## Credits

The money that HSBC gives you to spend on your health and dental benefits each year.

## Default Coverage

If you do not enrol by your deadline (within 30 days of retirement or the opening of the Sun Life Member Enrolment Tool to enrol in the program), you will be assigned "default coverage".

## Dispensing Fee

This is the amount that a pharmacist charges to fill your prescription; it varies widely among pharmacies. The health plan sets a maximum that it will reimburse for each dispensing fee.

## FTE

Full-time equivalent. If you worked full-time, your FTE is 100%. If you worked part-time, your FTE will be based on the percentage of full-time hours that you worked.

## Life Event

Life events are the times in your life when you may wish to change your benefits. Examples include divorce, or your dependent child is no longer eligible for coverage.

## Options

Your choices. The dental plan offers four coverage options, and the health plan offers five coverage options.

## Price

The annual cost of each benefit. The price is based on the type of benefit, the amount of coverage and other factors.