

flexsave: Claim Mechanics

There are a number of different ways that a claim can be processed but the end result will be:

- Employee will be cash neutral for their eligible expenses up to their set maximum
- Company will have paid to HUB (or have withdrawn from their pre-funding at HUB), an amount equal to the eligible claim, HUB's 10% administration fee plus the applicable taxes.

Method One: Company pre-funds flexsave account with Hub

This method is the "cleanest" and most efficient as the company continually has funds on deposit with HUB to cover incurred claims as they are incurred by their employees.

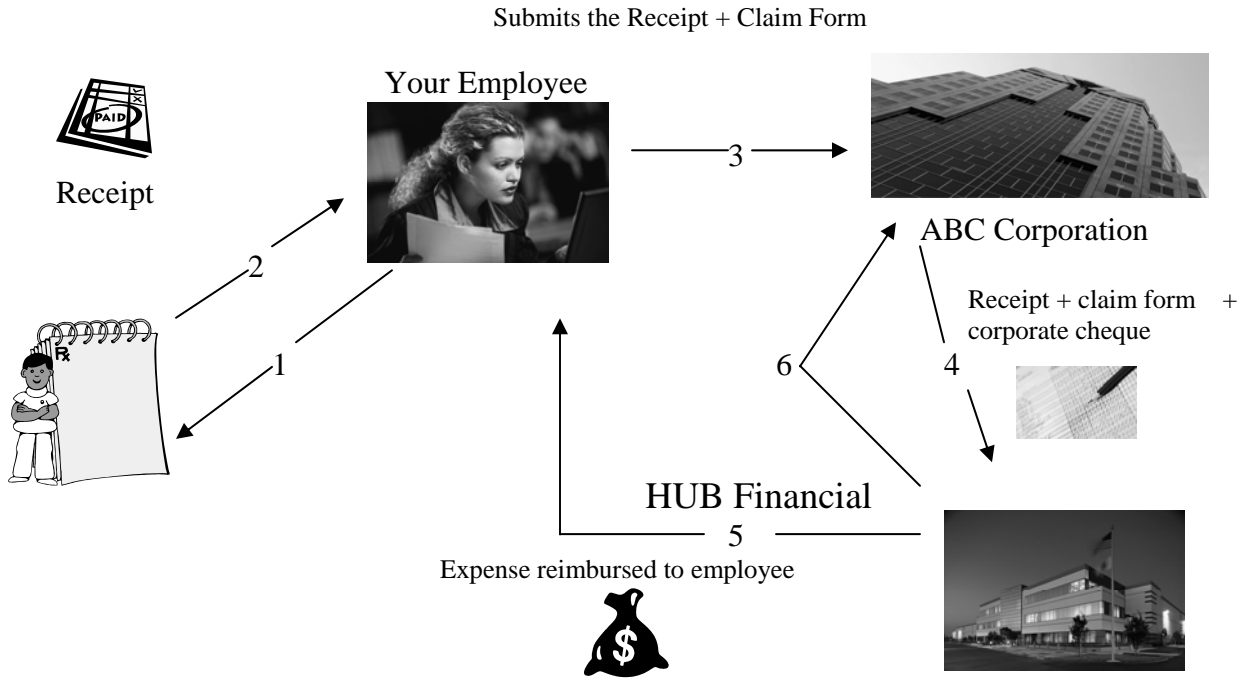
1. Employee incurs claims (dentist, pharmacy etc.) and pays (typically on credit card)
2. Employee submits claim form plus bill/prescription/ to HUB (and keeps a copy)
3. HUB withdraws from the company's pre-funded flexcare account, sufficient funds to reimburse employee, cover their fee (10%), plus applicable taxes.
4. HUB reimburses employee by Electronic Funds Transfer (recommended) or cheque

Method Two: Company does not adequately pre-fund flexsave account

1. Employee incurs claims (dentist, pharmacy etc.) and pays (typically on credit card)
 2. Employee submits claim form plus bill/prescription/ to HUB (and keeps a copy)
 3. HUB requisitions company for adequate funds to reimburse employee, cover their fee (10%), plus applicable taxes. (Note: Potential for delay created in obtaining funds)
 4. HUB reimburses employee by Electronic Funds Transfer (recommended) or cheque
- This method creates the potential for delay as company must write and send a cheque to cover off claims as they are incurred.
 - Alternatively, employee can request cheque for submission with claim form but creates extra administration/cheque producing plus potential privacy concerns unless claim confidentiality with employer ensured.

A pictorial example of a sample claim's process can be seen on the next page of the guide.

flexsave Sample Claim Flow



1. The employee incurs an eligible medical/dental expense and pays the practitioner (pharmacy, dentist etc.)
2. The employee receives a receipt and makes a photocopy for their records.
- 3/4. The employee then completes the claim form, attaches the receipt, and submits to their employer or to HUB financial directly.
 - If submitted to the employer, then the plan administrator would take the claim form and receipt and submit along with the appropriate funding to HUB Financial.
 - If the claim form and receipt are submitted to HUB Financial directly, the claim will be settled provided the employer has sufficient funds on deposit. If there are not sufficient funds on deposit at HUB, the employer will be notified that an eligible claim has been received and that funding is required in order to reimburse the employee.
5. Upon receipt and verification of an eligible claim and funding, HUB Financial will reimburse the employee (via Electronic Funds transfer or by cheque)
6. The company receives Paid Invoices for all the paid claims, including all administration fees and applicable taxes, for income tax deduction purposes.