



# New Federal Dental Plans and Plan Sponsor/Employer Obligations

*January 2024*

*PREPARED IN PARTNERSHIP WITH:*



## There are two new federally funded dental programs:

- The interim Canada Dental Benefit (CDB) is for children < 12 years (born on or after July 2, 2011).
- The Canadian Dental Care Plan (CDCP) is for all other Canadians.

These programs were developed to subsidize dental costs for uninsured Canadian residents with an annual family income of less than \$90,000 per year who do not have access to a private dental insurance plan.

This means that plan members/employees and dependents who have access to group benefit dental coverage are not eligible for the Canada Dental Benefit regardless of their income. It is important to understand that coverage through a health care spending account (HCSA) instead of a traditional dental benefit offering also makes an employee ineligible for the Canada Dental Benefit.

Plan members/employees and dependents who have access to dental coverage are not eligible for the Canada Dental Benefit or the Canadian Dental Care Plan regardless of their income.

Who Is Eligible	Applications Open	Details
<p>Children less than 12 years old (born on or after July 2, 2011)</p>	<p>December 1, 2022</p>	<p>Dental care received during the following benefit periods.</p> <p>Applications can be made for a maximum of 2 payments per child.</p> <p><b>First benefit period:</b> October 1, 2022 to June 30, 2023</p> <p><b>Second benefit period:</b> July 1, 2023 to June 30, 2024</p> <p>The Canada Revenue Agency determines the child benefit amount based on adjusted family net income. Depending on the adjusted family net income, a tax-free payment is available to cover dental expenses for each eligible child.</p> <p>Dental receipts do not need to be submitted but should be retained for 6 years in case the CRA needs to validate eligibility.</p>



Who Is Eligible	Applications Open	Details
Ages 87 and above	December 2023	<p>The start date to access oral health care will vary based on when each group can apply, when the application is received and when enrolment is completed.</p> <p>The expectation is oral health providers will directly bill to the federal plan being operated by Sun Life, rather than make patients first pay out-of-pocket and seek reimbursement.</p>
Ages 77 to 86	January 2024	
Ages 72 to 76	February 2024	
Ages 70 to 71	March 2024	
Ages 65 and older	May 2024	
Children less than 18 years old	June 2024	
Adults with a valid Disability Tax Credit certificate	June 2024	
All remaining eligible Canadian residents	2025	

Beginning in December 2023 eligible individuals will receive letters inviting them to apply, with instructions on how to validate their eligibility and apply by telephone. In May 2024, an online application portal will open for applications.

## How much is covered:

Interim Canada Dental Benefit - Benefit Amounts Per Eligible Child		
Adjusted Family Net Income	Full Custody Amount	Shared Custody Amount
Less than \$70,000	\$650	\$325
\$70,000 to \$79,999	\$390	\$195
\$80,000 to \$89,999	\$260	\$130
\$90,000 or more	not eligible	not eligible



Adjusted family net income	How much will be covered for eligible oral health care service costs at established fees
Less than \$70,000	100%
\$70,000 to \$79,999	60%
\$80,000 to \$89,999	40%
\$90,000 or more	not eligible

### What is covered

The programs will help cover the cost of various oral health care services and could include the following:

- ❑ preventive services, including scaling (cleaning), polishing, sealants, and fluoride;
- ❑ diagnostic services, including examinations and x-rays;
- ❑ restorative services, including fillings;
- ❑ endodontic services, including root canal treatments;
- ❑ prosthodontic services, including complete and partial removable dentures;
- ❑ periodontal services, including deep scaling;
- ❑ oral surgery services, including extractions.

### Updates to T4/T4A Reporting

Plan members/employees or dependents who have group benefit dental coverage are not eligible for the Canada Dental Benefit or The Canadian Dental Care Plan, however plan sponsors/employers are required to report via T4 and T4A slips whether they offer dental insurance or a health care spending account to their employees. This additional reporting is mandatory for 2023 and subsequent taxation years.

Plan sponsors/employers are required to report via T4 and T4A slips whether they offer dental coverage or a health care spending account to their employees.



Box 45, Employer-offered Dental Benefits, was added to the T4 form and Box 015, Payer-offered Dental Benefits, was added to the T4A form. Employers should complete the appropriate code based on the following options. These codes should not reflect whether the plan member/employee has waived or opted out of coverage, rather the code should reflect the coverage available to the plan member/ employee based on group plan eligibility.

Most of our clients will select **CODE 3** below, which indicates access to any dental care insurance, or coverage for employees, their spouse and dependents.

Code	Description
1	No access to any dental care insurance, or coverage of dental services of any kind.
2	Access to any dental care insurance, or coverage of dental services of any kind for only the payee (employee).
3	Access to any dental care insurance, or coverage of dental services of any kind for payee (employee). spouse, and dependents.
4	Access to any dental care insurance, or coverage of dental services of any kind for only the payee (employee)and their spouse.
5	Access to any dental care insurance, or coverage of dental services of any kind for only the payee (employee) and dependents.

For more information please reach out to us.



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  - Collectively responsible for more than \$1.4 billion in annual benefit plan premiums and over \$3.5 billion in retirement plan assets.
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