

Canadian Dental Care Plan Update

November 6, 2023

[WCBC's article](#) posted November 22, 2022 discussed the Canada Dental Plan which was one of a number of items proposed in the *Budget 2022: A Plan to Grow Our Economy and Make Life More Affordable*. This was an interim dental benefit only available to provide reimbursement for dental services for children under 12 years old.

In [Budget 2023](#), the government set-up a permanent dental program, the Canadian Dental Care Plan (CDCP). The CDCP is available to uninsured eligible families earning less than \$90,000 per year, with no out-of-pocket costs for families earning less than \$70,000 per year. Canadians with access to dental coverage will not be eligible for CDCP.

The CDCP will begin providing coverage by the end of 2023. Health Canada will administer the program, with support from a third-party benefits administrator (Sun Life Assurance Company).

To support the implementation of the CDCP, employers and employer pension plans have a new T4/T4A reporting obligation to report existing dental coverage provided to employees and plan members.

New Reporting Requirements For Employers

As part of the new Canada Dental Plan, the Federal Government requires employers to:

- Report on a tax slip whether an employee, former employee or spouse of a deceased employee was eligible, on Dec. 31 of the reporting tax year, to access dental insurance or dental coverage of any kind (for example, dental plan, a health spending account or wellness account) due to current or former employment.



Employers must report this information on the employees' T4/T4A beginning with the 2023 tax-reporting cycle and continue to report it every year thereafter. It is mandatory to indicate whether the employee or any of their family members were eligible or not, on December 31 of that year, to access any dental care insurance, or coverage of dental services of any kind, that the employer offered. The codes below are not dependent on whether the employee has chosen the coverage or not. Instead, the code should reflect the coverage available to the employee based on their group plan.

The new mandatory tax slip box requirements for employers to fill out are as follows:

- [Box 45 \(T4\)](#): Employer-offered dental benefits.
- [Box 015 \(T4A\)](#): Payer Offered Dental Benefits. This new box will be mandatory if you report in Box 016, Pension or Superannuation. The box will otherwise be optional.

One of the following numeric alternatives is required to be inputted depending on what dental coverage is offered:

Option	Description
1	Not eligible to access any dental care insurance, or coverage of dental service of any kind.
2	Payee only (Access to any dental care insurance, or coverage of dental services of any kind for only the employee).
3	Payee, spouse and dependent children (Access to any dental care insurance, or coverage of dental services of any kind for the employee, spouse and dependent children).
4	Payee and their spouse (Access to any dental care insurance, or coverage of dental services of any kind for only the employee and spouse).
5	Payee and their dependent children (Access to any dental care insurance, or coverage of dental services of any kind for only the employee and dependent children).

Please ensure that this information is reflected on the employees' 2023 tax slips. The specifics of the dental benefits being offered through the CDCP have not been announced at this time.



Please contact Giovanna Lau, Director, Employee Benefits at WCBC for your benefits needs.
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