HSA Contribution Guide

How to set up and send employer-directed HSA contributions

Independence

Introduction

A tax-advantaged health spending account (HSA) gives your employees flexibility in how they save and spend their health care dollars. Contributions to an HSA can be made by you, your employees, or a combination of both. No matter how you choose to fund the HSA, you can make employer-directed contributions conveniently using ibxpress.com.*

Use this guide to learn more about the contribution methods and follow the step-by-step instructions to use ibxpress.com to make payroll-driven or direct employer contributions.

Advantages of contributing via payroll deduction:

- It's more convenient for your employees. When HSA contributions are automatically deducted and deposited directly into the HSA on a pre-tax basis, there's no need to claim the contribution as a tax deduction on income tax returns.
- It's easily integrated into the enrollment process.
- It lets you handle employer contributions conveniently using the same process as payroll contributions.
- It can be seamlessly administered via ibxpress.com.
- There is no additional cost to you.

We're here to help

After you review this guide, if you have any questions, contact our dedicated HSA Help Desk at 1-877-959-4161 between 9 a.m and 6 p.m. ET for assistance.

* Employees can also make post-tax contributions directly into their HSA accounts without any employer involvement. Details about this process are provided in the HSA Welcome Kit.

Note: The examples in this guide are hypothetical and are used for illustration only. Your invoices and reports may have a slightly different appearance than those shown in the guide.

Choose from one of two options for making contributions

We offer you two options for sending HSA contributions to the Bank of America, an independent company. You can manually key in contribution information or upload a file.

Which option is right for you?

- Key in may be better if your company doesn't have many employees with HSAs
- File upload may be better for you if your company has numerous HSAs

Option 1: Key in contributions for each employee

You manually key in contributions for each of your employees at ibxpress.com. You can provide the same contribution amount for all employees, or apply unique contribution amounts for each employee. This option allows you to set up recurring contributions on a pre-set schedule.

Option 2: Upload files with contribution information

With this option, you upload a file containing contribution information at ibxpress.com. You use a standard file format and upload a new file each time a contribution is scheduled to be made. **If you offer contributions via payroll deductions, you will need to upload a file for each payroll period.**

How to Decide Which Option Best Fits Your Needs

Compare the following similarities and differences to help you choose the best option for you:

What is the same: Both options are available through ibxpress.com and apply only to employees with established accounts.

In both options, you will provide your bank information so a direct deposit can be sent electronically from your company account to Bank of America through the Automated Clearing House (ACH) system. Bank of America will post the deposits to your employees' accounts once the deposit is received. With both options, this direct deposit process involves a lag time for processing.

There will always be a lag time of at least three business days between the date you send contributions and the date they are posted to your employees' accounts.

What is different: The contribution methods differ in how they communicate the contribution information to the account custodian.

With the Key-In option, you'll manually key in contribution information for each employee directly on ibxpress.com. This means that you will set a schedule for each employee, and the contribution transactions will run automatically at the interval you specified, such as weekly or monthly. This method requires that you monitor your employees' HSA contribution activity (change in contribution amounts, schedule, etc.) and make revisions accordingly.

In the File-Upload option, you'll prepare an Excel or ASCII file containing the contribution information for each employee, then upload the file through ibxpress.com. If your company does not have many employees with HSAs, or if you typically have few regular staff changes, the Key-In option is likely better for you. You may only need to key in all of the employee and contribution information once a year.

If your company has numerous HSAs, or if your employees generate a lot of changes in their contribution information, the File-Upload method is probably a better choice. Because you're making frequent changes anyway, creating a new file each time may make more sense and be easier to manage.

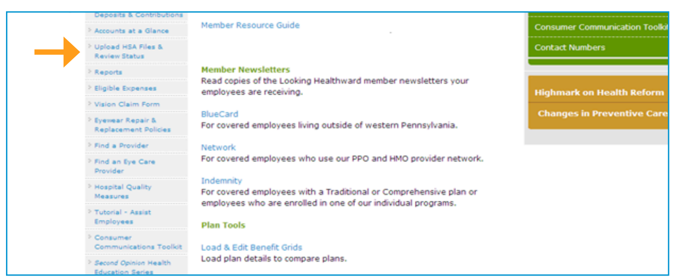
Option 1: Using The Key-In Method For Contributions

Follow these steps to send contributions using the Key-In Contributions option. This procedure allows you to set up a recurring transaction on whatever schedule you need, such as weekly, biweekly, monthly, etc. Once you have set up a recurring transaction, you do not need to key in contributions again *until something changes*, such as an employee name or contribution amount.

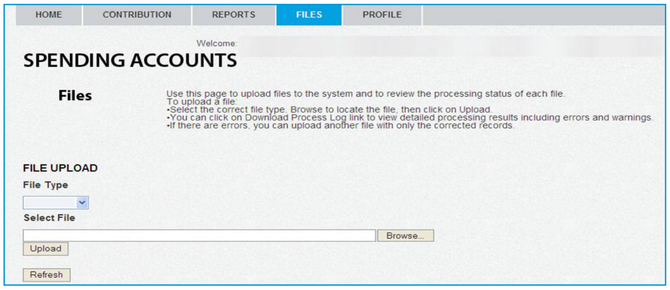
Step 1: Enter Your Bank Information

Log in to ibxpress.com, then click on the "Assist Employees" tab at the top of the homepage.

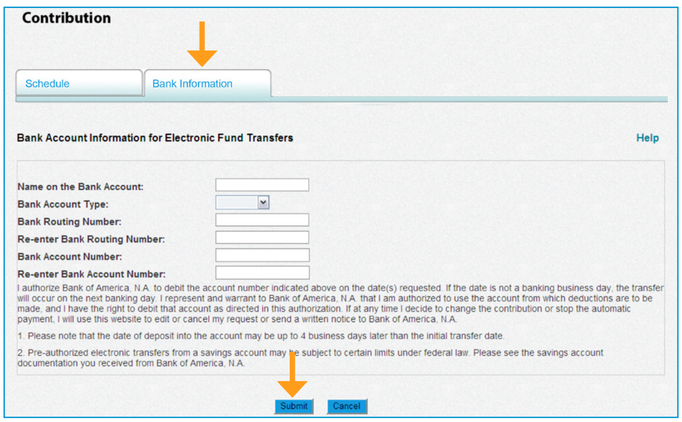
Scroll down the page and click the "Upload HSA Files & Review Status" link.



The "Files" landing page will display.



Click on the "Contribution" tab. The "Schedule" and "Bank Information" pages will appear in the center of the screen. Click on the "Bank Information" tab to input bank account information BEFORE uploading the contribution file(s) or keying-in contributions.



Enter "Submit" at the bottom of the Bank Account Information entry screen to authorize the transactions and complete the set-up. Once this information is entered, it does not need to be re-entered for future file processing unless a change in the bank account information is needed.

Before you begin: Please note that if your bank uses ACH filtering, you will need to provide your bank with the company ID "1521523496" before you begin setting up your bank account information. Providing this to your bank allows for an ACH pull to be initiated when you send contribution information.

Step 2: Select and Schedule Contributions Date(s)

Choose the date you will key-in the contributions for the first transaction (assuming you are setting up a recurring transaction). Work backward from the date that you want the contributions to be visible to employees, keeping the processing period lag time in mind. ACH transfers take 3–4 business days to post to employee accounts.

Please Note: You will need to consider the timetable outlined below when determining the contribution date for the Key-in option. The electronic transfer to Bank of America will be initiated on the scheduled date from the bank account set up for the electronic transfer of funds. The funds may be transferred on the same day, or the following day if the information was keyed in after 2 p.m. ET. Allow up to 4 business days after the date of contribution for funds to be posted to employees' accounts.

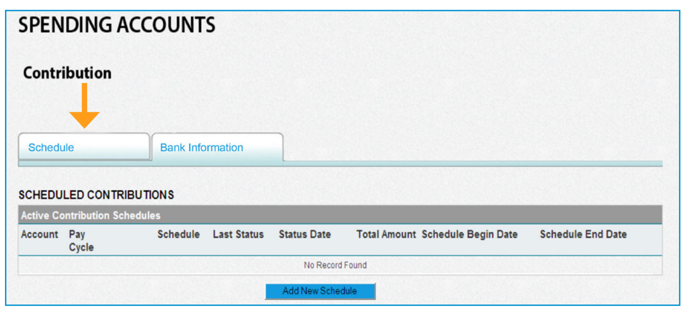
Sample Key-In Contribution Process Flow and Timing:

Day 0: Thurs 1/19	Scheduled contribution (via the key-in option) is posted and validated.*
Day 1: Fri 1/20	
Day 2: Mon 1/23	
Day 3: Tues 1/24	Posting of contribution amount.
Day 4: Wed 1/25	Contribution visible to employee on website with the 1/24 posting date.

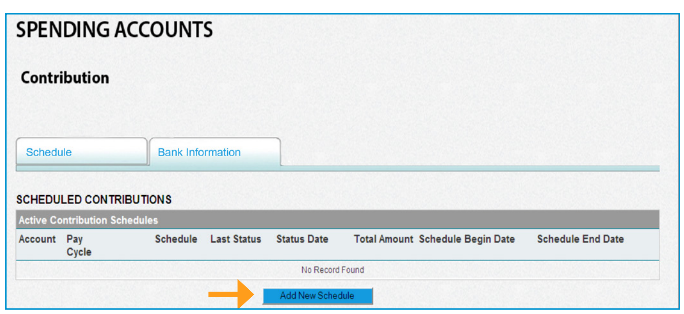
Funds are most commonly posted within 3–4 business days.

*If your company's bank account is at Bank of America, your funds may be pulled on Day 0.

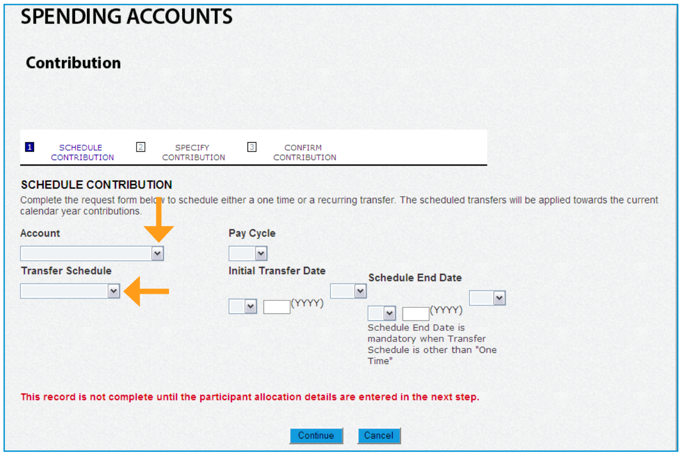
Click on the "Schedule" tab in the center of the "Contribution" screen.



Select the "Add a New Schedule" button.



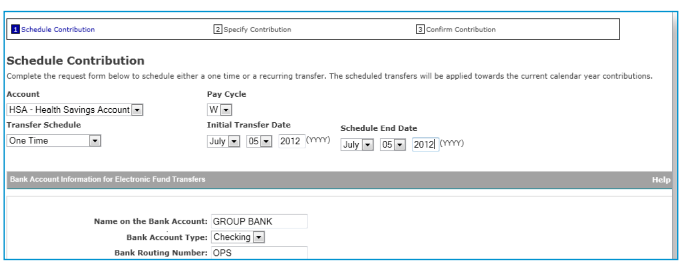
Enter the transfer schedule for each contribution frequency needed.



- Select "HSA" in the "Account" field.
- Select your desired contribution frequency in the "Transfer Schedule" field. If you choose "One Time" the contribution will be made only once. All other selection options will setup a recurring contribution schedule for your employees. You will not need to change the schedule once it is set unless it requires a change.
- Available choices are:
  - One Time
  - Every Two Weeks
  - Weekly
  - Monthly Last Day
  - Monthly Same Date*

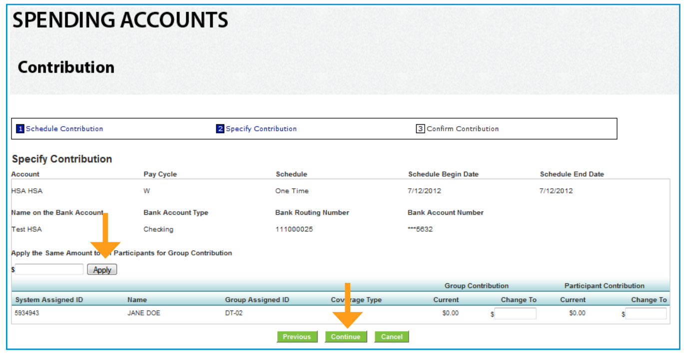
* If you have a semi-monthly contribution/payroll schedule, key two "Monthly Same Date" schedules — enter the date for each schedule. For example, enter two Initial Transfer dates ("15th" and "31st") to complete the semi-monthly scheduling.

Enter the detailed transfer schedule information.



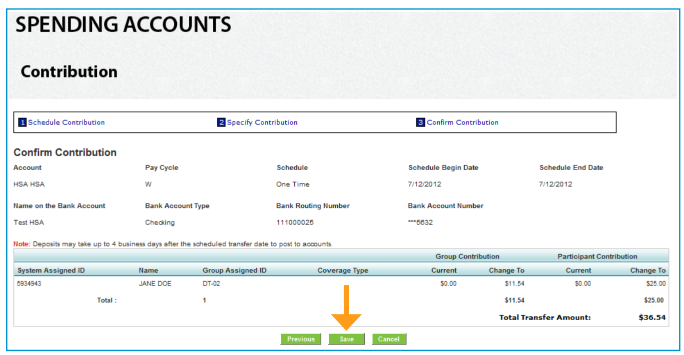
- Select "W" in the Pay Cycle field (this must always be selected to complete set-up).
- Enter the date you want the funds to be withdrawn from your company's bank account in the "Initial Transfer Date" field. This is "Day 0" of the first contribution/the date that the ACH schedule will be initiated. If this date falls on a weekend, the schedule will be initiated on the next business day. Note: The "Initial Transfer Date" can't equal today's date.
- To end the recurring contribution schedule, enter that date in the "Schedule End Date" field. This is "Day 0" of your final contribution for the sequence you are scheduling. Note: The "Schedule End Date" year can't exceed the year 2099.

Enter contribution information for each employee. The same deposit amount can be applied to all employees of the group, or amounts can vary for each employee.



- The system will automatically pre-populate with the eligible members which are displayed at the bottom of this page.
- Click "Continue" to submit the contributions.

A "Confirm Contribution" screen will be displayed.



- Review the entries and confirm they are correct for each employee and the total contribution amount.
- Click "Save" to complete the process. The system displays any errors in red, which will need to be corrected.

To change or add a Scheduled ACH Funding Transfer, navigate to the "Contributions" Tab and view the "Schedule" information.

Choose to view the schedule "Details" or "Edit", "Cancel", or "Add New Schedule" from this screen.

Step 3: Monitor the ACH Processing

You may monitor the status of the ACH transfer on the "Contribution" page. View the "Contribution" page by clicking on the "Contribution" link in the menu located at the top of ibxpress.com. ACH transfers are initiated once daily at 2 p.m. ET. A transfer will be initiated for any contributions you have saved in the system at that time.

Possible ACH statuses are shown below:

Created: Appears on Day 0, schedule is created

Scheduled: Appears on Day 0, after the ACH is scheduled

Requested: Appears on Day 0, the ACH is requested

Ready to Post: Appears on Day 3

Sent for Posting: Appears once monies are sent for posting to members' accounts, end of business Day 3

Posted: Indicates the ACH contributions have successfully posted to the members' accounts

Deactivated: Indicates that a user has cancelled the funding schedule

Rejected or Reject/Fail: The ACH transaction failed. Possible reasons for rejection include, but are not limited to, blocking filter, insufficient funds, improper formatting of ACH, and incorrect bank account information.

If your transaction shows a "Rejected" status, you are advised to correct the issues with your financial institution, create a new contribution using this procedure, and save it for the Key-In scheduled processing going forward.

Closed: The schedule did not process due to reasons not related to the ACH. Please contact the HSA Help Desk at 1-877-959-4161 for assistance.

Option 2 Using the File-Upload Method for Contributions

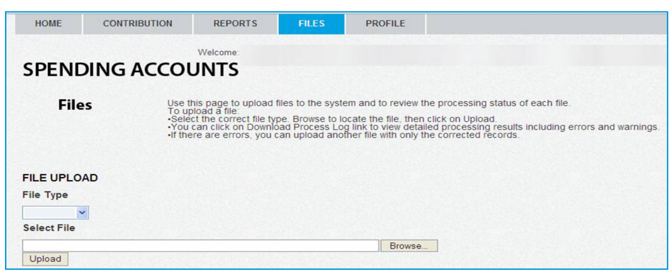
Follow these steps to send contributions using the file upload method.

Step 1: Enter Your Bank Information

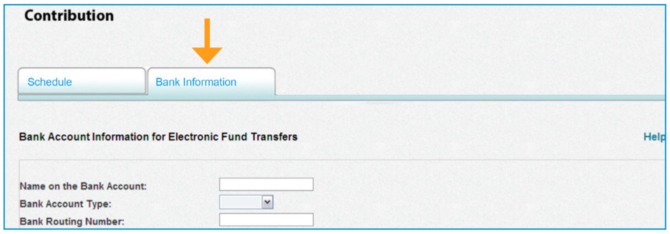
Log in to ibxpress.com, then click on the "Assist Employees" tab at the top of the homepage.

Scroll down the page and click the "Upload HSA Files & Review Status" link.

The "Files" landing page will display.



Click on the "Contribution" tab. The "Schedule" and "Bank Information" pages will appear in the center of the screen. Click on the "Bank Information" tab to input bank account information BEFORE uploading the contribution file(s) or keying-in contributions.



Enter "Submit" at the bottom of the Bank Account Information entry screen to authorize the transactions and complete the set-up. Once this information is entered, it does not need to be re-entered for future file processing unless a change in the bank account information is needed.

Before you begin: Please note that if your bank uses ACH filtering, you will need to provide your bank with the company ID "1521523496" before you begin setting up your bank account information. Providing this to your bank allows for an ACH pull to be initiated when you send contribution information.

Step 2: Gather Needed Information

Prepare your file of contribution information for upload. The file must ultimately be in "CSV" format (comma delimited format) and must also be named in a specific format. **See pages 16–18 of this guide for more information about how to format and name your file.**

Step 3: Determine the Proper File Upload Date

Choose the date you will upload the file. Work backward from the date that you want the contributions to be visible to employees, keeping the processing period lag time in mind. Remember also that files are validated at 10 a.m. and 1 p.m. ET each business day and ACH transactions are initiated at 2 p.m. ET each business day.

Here's a sample workflow for a contribution file processing period:

Day 0: Thurs 1/19	Contribution file is posted and validated. (if uploaded before 1 p.m. ET)*
Day 1: Fri 1/20	
Day 2: Mon 1/23	
Day 3: Tues 1/24	Posting of contribution amount.
Day 4: Wed 1/25	Contribution visible to employee on website with the 1/24 posting date.

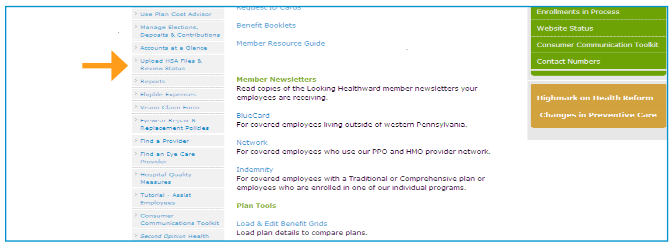
Funds are most commonly pulled within 3 – 4 business days.

*If your company's bank account is at Bank of America, your funds may be pulled on Day 0.

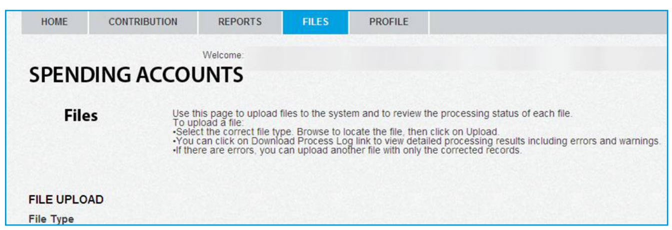
Step 4: Upload the Contribution Files

Log in to ibxpress.com and navigate to the "Assist Employees" tab.

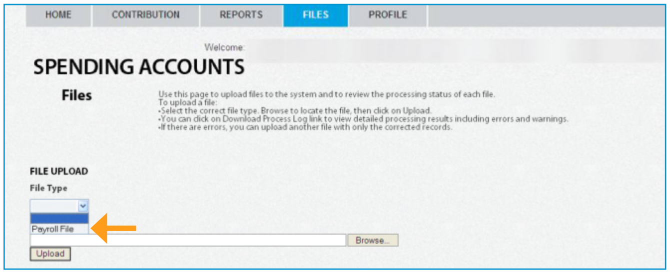
Click on the link labeled "Upload HSA files & Review Status."



The "Upload HSA Files & Review" link will forward you to the HSA "Files" landing page where you select the contribution file(s) that need to be passed to the employees' accounts:



Select "Payroll File" from the File Type drop-down menu.



Click "Browse" to select file to upload. Once you have located the file, click the "Upload" button. The system maintains a record of all files uploaded and provides a summary of the file load.

Please be advised: If you upload a file in error, please contact the HSA Help Desk (1-877-959-4161) immediately to alert them of this issue and to ensure that the file is withheld from processing.

Step 5: Check the Status of the File Upload

After you have uploaded your file, wait for it to be processed and validated, then check its status.

Files are validated twice per day at 10 a.m. ET and again at 1 p.m. ET. Validation takes approximately 90 minutes. Check the status of your file after 11:30 a.m. ET or 2 p.m.

To meet your target contribution posting date, it is recommended to upload your file by 10 a.m. ET. Check its status after 11:30 a.m. ET and correct any errors no later than 1 p.m. ET.

Please be advised: For records posted before 2 p.m. ET, funds may be pulled from your bank account the following business day. Funds may be pulled on the current day if you have a Bank of America account.

To check the status of your upload:

- Log in to ibxpress.com and navigate to the "Assist Employees" tab.
- Scroll to the "Spending Account Resources" section, then click the "Upload HSA Files and Review Status" link. The status of your up-load displays. You will see a status of either "In Process" or "Processed."

If you see the status "In Process":

This means the file is in the process of uploading. If it is after the time when your file should have been validated (after 11:30 a.m. or 2:30 p.m. ET, depending upon when you uploaded your file), and the status is still "In Process," with no log file present, it is likely there was a file formatting error. Call the HSA Help Desk for assistance: 1-877-959-4161.

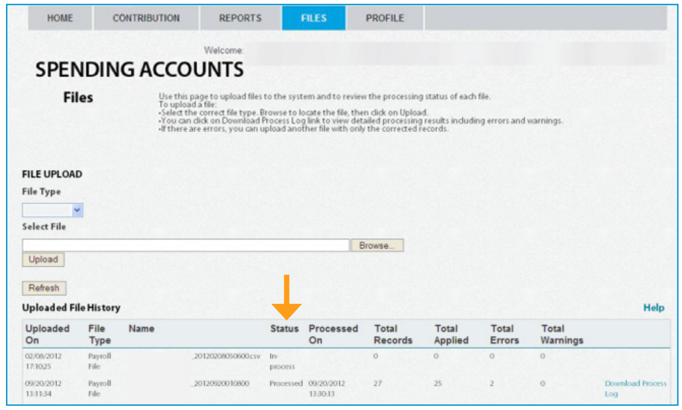
The system will maintain a record of all files uploaded and provide a summary of each file load.

Upload a file by mistake?

If you upload a file in error, please contact the HSA Help Desk (1-877-959-4161)

If you see the status "Processed":

The file uploaded successfully, OR there are errors which need to be corrected. Once in a "Processed" status, the status will no longer update for that particular file.



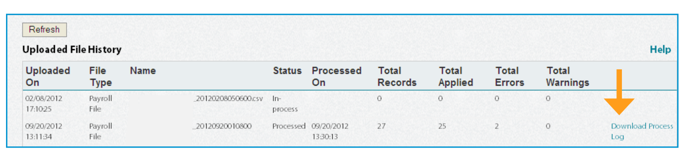
The "Uploaded File History" section displays counts for "Total Records" (records submitted) and "Total Applied Records" (records successfully loaded). If the counts are equal, you may proceed to Step 7.

If the counts are not equal, one or more of the records in the file has errors. For example, if you uploaded a total of 20 records and the total applied record count was 15, there were 5 records with errors.

After you have successfully uploaded files, the system generates an ACH "pull file" for the records in the "Total Applied Records" group. The pull file is then transmitted to Bank of America for processing. The ACH process runs at 2 p.m. ET daily.

Step 6: Correct File Errors

If you have file errors that need to be corrected, click on the "Download Process Log" link, open file and save it to your local hard drive to resolve any file errors. Once the log file is downloaded and opened, you will be able to view errors for specific records and the associated error message(s). Depending upon the error message received, you will need to correct the errors, and re-upload a file **only for the affected records.**



The following errors will occur if any of the required records on the file are not sent or sent incorrectly. See below for errors and recommended resolution.

Processing Message	Processing Message Description	Recommended Resolution
Record inserted in staging for further use	The record has been successfully uploaded	No further action is needed
No election active for the Employee	The member's HSA account is not yet active, but is in the process of being set up.	Funds will not be pulled for any members who have inactive accounts. Issue resolution for security checks will be ongoing by the Bank for up to 60 days. If issues cannot be resolved within 60 days, the member will not be enrolled in the HSA.
Election cannot be determined OR Employee does not exist in the database	This occurs if SSN provided in the "Participant Code" field is entered incorrectly within the file or enrollment into the HSA product has not been initiated	Check the Participant Code field on the file to validate it was sent correctly (should be the member SSN-9 Digits). You will want to confirm that the leading zeroes were not stripped upon the CSV file upload. To fix leading zero issues: Delete all records off file, except the effected records that experience this issue. It is important to NOT include all records, as you do not want to upload duplicate records that were already processed. Format all file fields on file as "text" Add leading zeroes to SSN field. Check to make sure that the SSN is now 9 digits Save file on your desktop as CSV format Open file in Notepad to confirm leading zeroes still appear. To do this, you will want to right click icon, and select "Notepad" to open file. Re-upload file for affected records only If, after the above steps were followed you are unable to resolve the error, please contact the HSA Help Desk at 1-877-959-4161. The Help Desk will then triage issue and help correct affected records. Please Note: If you have NOT elected the auto-enroll feature for your HSA product, your employees will not be set up with an HSA account until they elect to enroll via ibxpress.com.
Contribution Effective Date is either Null or a bad date format for record no. <record no.>	This occurs when an incorrect date format has been entered into the "Contribution Effective Date" field.	The format for the "Contribution Effective Date" filed will need to be corrected for all affected records, then resubmitted. The correct format for the "Contribution Effective Date field" is MM/DD/YYYY.
Account code is Null for Record	This occurs if the account type field on the file is blank. This filed should always be "HSA."	Check your file to ensure that the "Account Type" field was populated with "HSA." Fix the affected record, and the resubmit the affected records.
No Contribution received for the record no. <record no.>	This will occur if NO contribution amount was send on the file for the affected record(s).	Check the contribution amount fields and ensure that at least 1 out of the 4 options have a valid dollar amount (0.00). Fix affected records and resubmit only those affected records.
Not a valid Employer available for this record.	This occurs if the Client number included in the "Group ID" field was not included or was incorrect.	Check the Group Identifier field on the file to validate the client ID number on the file to confirm that it was formatted correctly.

If you experience any other errors not listed here, please contact the HSA Help Desk at 1-877-959-4161.

Please be advised: Once errors are fixed for the affected records, you should only re-upload the records which had errors. If you re-upload records that did not have errors, these contributions will be processed again as a new deposit and will result in duplicate postings.

Step 7: Monitor the ACH Processing

You can monitor the status of the ACH Transfer from the "Contributions" tab in the "Scheduled Contributions" section.

Once the file records are successfully uploaded, an ACH pull file will be generated for the "Total Applied" records and transmitted to Bank of America for processing.

The ACH process will be run at 2 p.m. ET, so it is advisable to upload your files and correct any errors prior to 2 p.m. to ensure that funds are posted to the employees' accounts on the expected date. ACH transfers take 3–4 business days to post to members' account.

Possible ACH statuses are shown below. Details of the actual ACH transfer process can be found on the "Contribution" page.

Created: Appears on Day 0, schedule is created

Scheduled: Appears on Day 0, after the ACH is scheduled

Requested: Appears on Day 0, ACH is requested

Ready to Post: Appears on Day 3

Sent for Posting: Appears once monies are sent for posting to members' accounts, end of business Day 3

Posted: Indicates the ACH contributions have successfully posted to the employees' accounts

Deactivated: Indicates that a user has cancelled the funding schedule

Rejected or Reject/Fail: The ACH transaction failed. Possible reasons for rejection include, but are not limited to; blocking filter, insufficient funds, improper formatting of ACH, and incorrect bank account information.

If your transaction shows a Rejected status, you are advised to correct the issues with your financial institution, prepare a new file, and upload it.

Closed: The schedule did not process due to reasons not related to ACH. Please contact the HSA Help Desk at 1-877-959-4161 for assistance and next steps.

HSA contribution file format

How to prepare payroll deduction information for upload

When to use this format

As an employer offering a qualified high-deductible health plan through Bank of America, you have a choice of two options to report HSA contributions. The first option is to type or key-in the HSA Contribution for each employee. The second option is to upload a file with the Contribution info for each payroll period. Employers who choose the file upload option must use the file format described here.

Format specifications

The file MUST be formatted as a CSV file, otherwise it will cause an error to occur. Note: If using Excel, you can "Save As" a CSV file (explained in 4).

1. Name the file using the naming conventions given.
2. Use variable field length with no space padding.
3. Include all required fields shown on the next page. Format required fields as specified in the table.
4. To save as a CSV file (if using Excel), click "Save As" then choose "CSV" (Comma delimited) (*.csv) from the "Save as type" box.

How to format fields

If you use Excel to create the file, you must format the cell to "Text" for fields containing leading zeros that need to be preserved. This will allow the file to load properly. Without the zeros, it will cause a processing error because values in your file don't match values in the processing system. For example, a Participant Code of "00123" entered in a field with a cell data type other than "Text" will be saved as "123".

When generating the CSV file automatically, please either avoid having field entries with comma or make sure that commas appearing in a field are enclosed in double quotes ("").

In all cases, the first row of the file is a header (with the field labels). The first record is assumed to be a header and is not loaded.

How to format a cell

Right click on the cell or column. Choose "format cells," and from the "number" tab, select "Text." This will allow the leading zeros to remain in the cells without Excel changing the formatting. You can format the date field either as a date with the correct format or convert the field to a text field. It is important that the field or the "CSV" 10 characters total.

How to name your file

Use this convention to name your file:

ACCEZC_E_GroupID_yyyymmddhhmmss.csv

Notes:"GroupID" is your client number assigned as part of setting up your account. "yyyymmddhhmmss" is the file date and time. Give hours in the 24-hour format.
Sample Client: For example, December 7, 2008 at 2:02:33 p.m. is given as 20081207140233 in this format.
Another example: If your Group ID/Client Number is 123456, and the current date and time are December 7, 2008, at 2:02:33 p.m., the complete file name would be: ACCEZC _ E _ 123456 _ 20081207140233.csv

Tip: Before uploading the file you can perform a spot check by opening the "CSV" using notepad. Check that leading 0s are there, the date is correctly formated, and that data generally looks good.

HSA spreadsheet format for Bank of America						
Field	**Required**	**Data Type**	**Max Length**	**Precision**	**Valid Values**	**Notes**
Group ID	YES	Numeric	20			This is always the client ID assigned to you at set-up.
Group Name		Alphanumeric	50			For reference only
Participant Code	YES	Alphanumeric	20			This is always the participant SSN
First Name		Alphanumeric	50			For reference only
Last Name		Alphanumeric	50			For reference only
Account Type	YES	Alphanumeric	10		HSA	This is always HSA
Contribution Effective Date	YES	Date	10		Fixed Length: MM/DD/YYYY	Effective date of the contribution.
Contribution Description		Alphanumeric	100			For reference only
Participant Pre-Tax Contribution	YES*		12	2		Amount of Pre-Tax contribution by Participant/Employee. At least one of the four contribution amounts must be populated. If the amount is zero, please enter 0.00
Participant Post-Tax Contribution	YES*	Number	12	2		Amount of Post-Tax contribution by Participant/Employee. At least one of the four contribution amounts must be populated. If the amount is zero, please enter 0.00
Group Pre-Tax Contribution	YES*	Number	12	2		Amount of Pre-Tax contribution by Group/Employer. At least one of the four contribution amounts must be populated. If the amount is zero, please enter 0.00
Group Post-Tax Contribution	YES*	Number	12	2		Amount of Pre-Tax contribution by Group/Employer. At least one of the four contribution amounts must be populated. If the amount is zero, please enter 0.00
Record Terminator	YES	Alphanumeric	1		~	Use this hard coded value to mark the end of a record.

Note: A value of "Yes*" (with an asterisk at the end) in the required column implies: the field is required conditionally. See the notes for further instructions.

Your File should look like this:

Sample spreadsheet												
Group ID	Group Name	Participant Code	First Name	Last Name	Account Type	Contribution Effective Date	Contribution Description	Participant Pre-Tax Contribution	Participant Post-Tax Contribution	Group Pre-Tax Contribution	Group Post-Tax Contribution	Record Terminator
123456	Employer ABC	1234567789	Joe	Davis	HSA	11/14/2011		0.00	100.00	150.00	0.00	~
123456	Employer ABC	111111118	Kelly	Jones	HSA	11/14/2011		0.00	0.00	60.00	0.00	~
123456	Employer ABC	222222229	Marc	Smith	HSA	11/14/2011		0.00	0.00	0.00	70.00	~
123456	Employer ABC	333333339	Allen	Green	HSA	11/14/2011		0.00	0.00	90.00	0.00	~
123456	Employer ABC	333345678	Mike	Myers	HSA	11/14/2011		0.00	0.00	0.00	30.00	~

Need assistance?

Contact the HSA Help Desk at 1-877-959-4161

Independence

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