HIGHMARK

Health Savings Account (HSA)
Contribution and Funding Guide

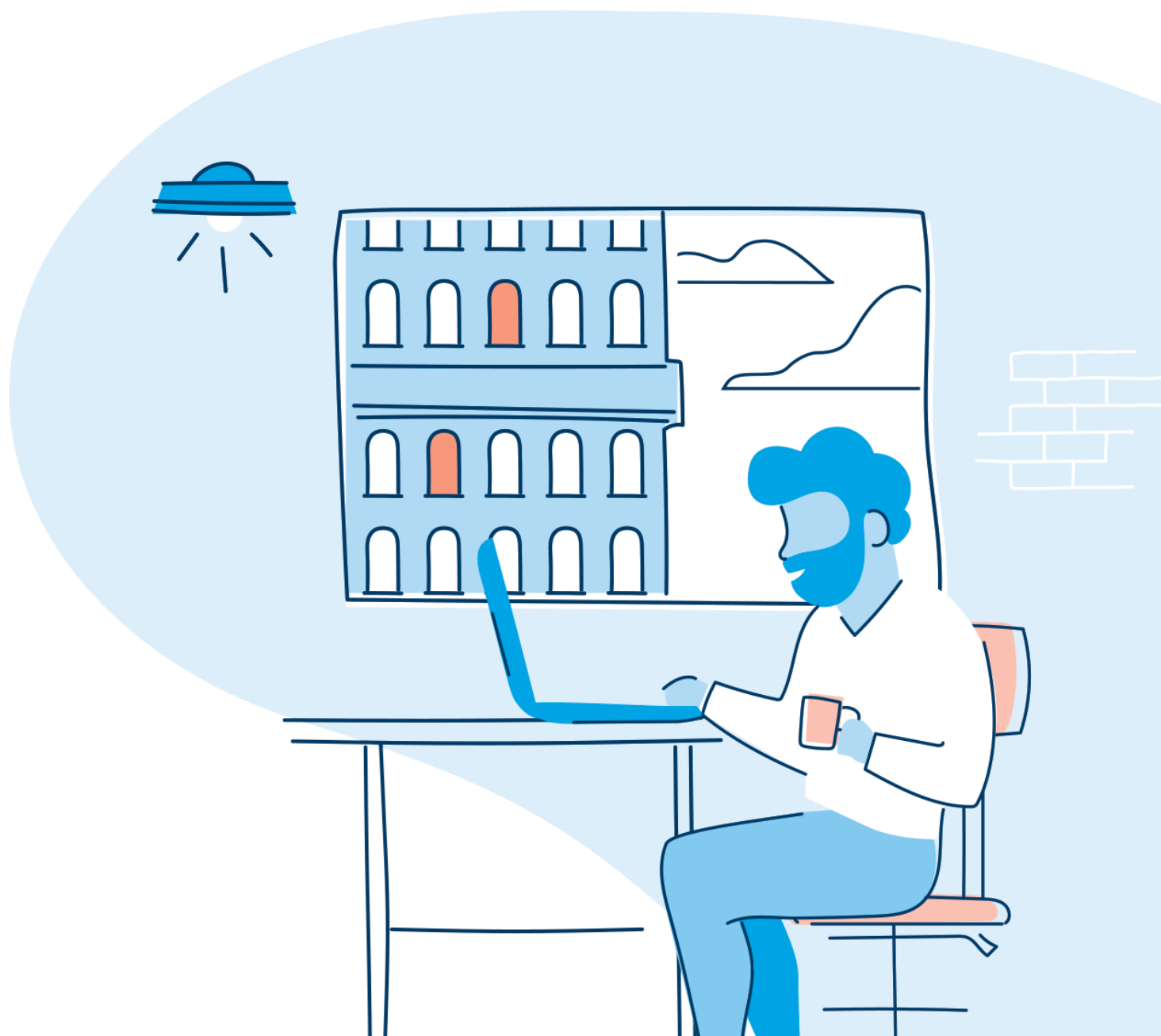# Table of contents

How to use this guide

This guide includes the information you need to manage your HSA contribution and funding. When you have questions, please contact HSA Client Services at 1-877-959-4161 or **HSAClientService@highmark.com**.

First, log in to your employer website at **highmarkbcbs.com**. Click **Assist Employees** and then in the **Spending Account** section, click the **Spending Account** link. If a new window does not open automatically, disable the pop-up blocker within your browser window.

Employer Funding Options

There are three ways you can make account contributions: through the Contribution Manager tool within the employer portal, file upload via the employer portal, or ACH direct. Contributions entered through the Contribution Manager tool or submitted by file upload before 4:45 p.m. ET will be available within 2 business days by 5 p.m. ET.

Method	Employee identifier used	Ability to specify payroll date	Ability to specify employer vs. employee contribution	Group funding process	What if employee's HSA is not active?	Ability to specify current vs. prior year contribution
1. Contribution Manager *Employer Website*	Employer generate a full list of employees with opened HSAs	Yes (can be current day, past or future)	Yes	Employer debited for total of processed contributions	No deposit is processed, employer can upload again once HSA is opened or reactivated	Yes
2. File Upload *Employer Website*	Employee ID with opened HSAs					
3. Direct ACH	HSA Account Number	No	No	Funded through employer's bank direct to HSAs	The direct deposit ACH is returned to the employer	No

Get Started: Set Up Your HSA Funding Bank Account

1. Establish a bank account at a financial institution of your choice

The account can be opened with an in-house employer account. Each time you transmit payroll files to our system, an aggregated ACH file is created to debit your bank account and credit member HSAs with the contribution amount in the payroll file.

If you need to use multiple bank accounts for HSA funding or change the banking information mid-year, please reach out to HSA Client Service at 1-877-959-4161 or HSAClientService@highmark.com.

Important information on ACH filters: If you have an ACH filter set up, you will need to authorize an ACH pull from the company bank account, since it will be used to fund the contributions. Provide your bank with the following company ID (and any necessary routing numbers) of the ACH originating depository:

- BMO Harris Company ID **I900808825** (first digit is the capital letter I), routing number **071000288** for HSA payroll funding

2. Enter and validate your bank account in the employer website

On the left of the employer website, you will find the site's main menu that can be expanded to reveal its full access and capabilities. To create a new bank account, click **Employer** to reveal a submenu. Select **HSA funding account** from the submenu, and click the **New** button.

Now, enter your bank account information, **Add** the SPAxxxxxx-002 account to **Selected Accounts,** and click **Save.**

***In 2-3 business days, the bank account will be validated with a $0.01 debit to the account.

Manage Contributions on the Employer Website

Option 1: Contribution Manager *Employer Website*

To create a contribution, navigate to the Contribution Manager tool.

Main Menu > Employer > Contribution Manager > Create Contributions

First select Plan Year **Current** from the dropdown menu, then choose **PNC HSA** from the Benefit Plan dropdown.

Use the Billing Group, Account Segment, and Division dropdowns only if you are entering contributions for a specific subset of employees and you would like to limit your display.

Select the following:

1. **Payroll Date** for the contribution
2. Method to auto-populate contributions (pay period, coverage tier, or divisions)
   - Leave as **Per Pay Period Amounts** for payroll deposits or if not pre-populating employer contribution amounts
3. Accounts to receive contributions
   - **All Accounts** to populate your table with all active and pending accounts. Only deposits to active accounts will be successful.
   - **Active Accounts Only** should be used when making contributions to HSAs. Should you make a deposit to an inactive HSA, it will be denied.

Once complete, click **Display Contributions** and a table based upon your selections will appear.

Enter the appropriate contribution amounts in the **Employee Amount** and the **Employer Amount** fields. Once you have entered the appropriate contribution amounts, you can:

- **Load Contributions:** Loads all contributions in the table as pending contributions. You will have one more opportunity to review contributions before they are submitted for processing.
- **Export to Excel:** Exports the table into an Excel spreadsheet.
- **Clear All Values:** Clears the currently populated contribution amounts so that they can be manually entered.

Load contributions

Once you click **Load Contributions,** a table of loaded contributions displays with a **Pending – Funding Deposit** status.

When a contribution is in a pending status, you can use the **Edit** or **Delete** buttons in the **Action** column up to two days prior to the payroll date to make additional changes.

Other actions you can take are designated by buttons below the **Contribution Results** table:

- **Delete All:** Like the **Delete** button in the **Action** column deletes an individual contribution, this **Delete** button deletes all contributions that were just saved.
- **Expedite Processing of Pending Contributions:** Within two days of payroll, you can bypass the regular timeframe and begin processing contributions immediately.
- **Export to Excel:** Exports the table into an Excel spreadsheet.

Sample Key Timeline:

Day 1: Wednesday	Day 2: Thursday	Day 3: Friday
Contributions are entered in the portal before 4:45 p.m. ET with Friday payroll date.	Funds are pulled by ACH from employer bank account.	Contributions are posted and available to employees by 5 p.m. ET.

**Banking holidays may impact the contribution timing. Allow for additional time around holidays.

Option 2: File upload *Employer Website*

To create a contribution, navigate to the **Contribution Manager** tool.

Main Menu > Employer > Contribution Manager > Contribution Import & Results

First select **Plan Year** from the dropdown menu, then choose **PNC HSA** from the **Benefit Plan** dropdown.

Next, enter the **Payroll Date** for the contribution. The payroll date must be within the selected plan year.

Click **Include employee SSN on payroll file** checkbox to use the SSN as the member identifier for HSA contributions. Choose **Create Payroll with All Account** or **Create Payroll With Active Accounts Only**. It is recommended to select active accounts only. Only deposits to active accounts will be successful.
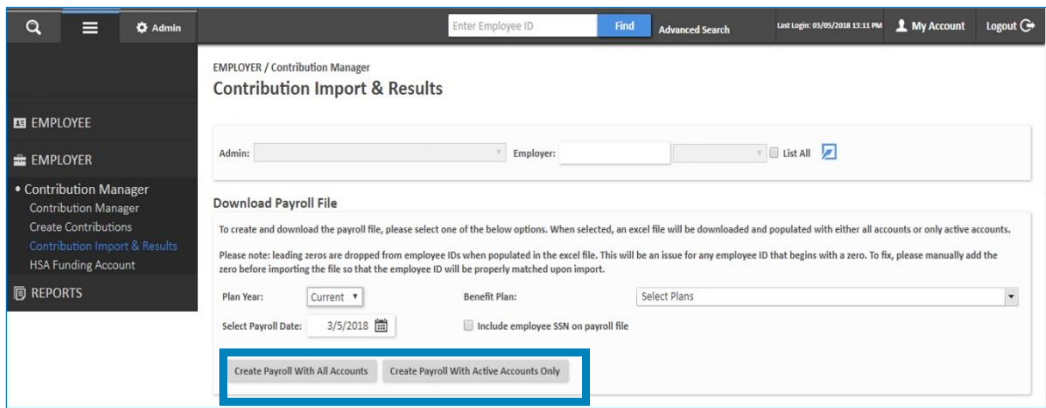
Once you have clicked one of the two buttons, a .csv document will download to your computer with a file name **Payroll Deposit** plus the date.

Enter the Employee and Employer Contributions onto the spreadsheet for the requested payroll date. Save the file to your personal drive in a .csv file format. **Please include your client name and client number in your file name.**

Important Information: The employee ID is a 13-digit number that will be automatically converted to scientific notation when your file loads in Excel. You must highlight the entire column, format the cells to number, and remove all decimal places. If you reopen your file after it is saved, you must redo these steps and save. The employee ID can be left blank if the SSN is populated on the file, however you must keep the column and header on the file. Please contact HSA Client Services at 1-877-959-4161 or **HSAClientService@highmark.com** if you would like to receive a file specification document.

Remember:

You can use this file as a template for future payroll files, but you must be sure to follow the existing cell formatting. Any changes to the format will create errors when uploading into our system.

Import contributions

Now, on the **Contributions Import & Results** page, click the **Choose File** button. Locate and select the payroll file that you saved to your computer. Click the **Process** button.
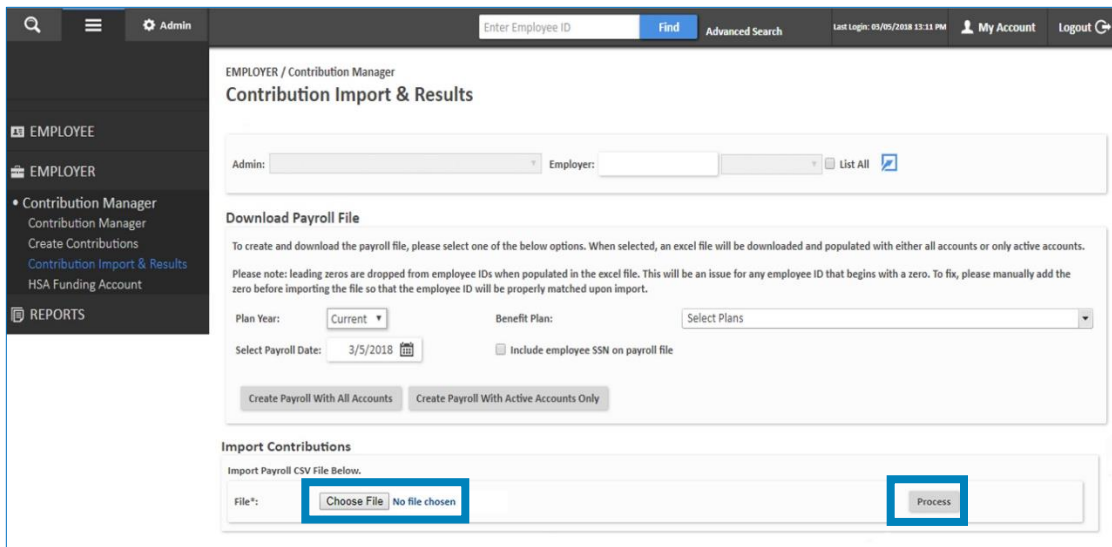
Upon successful submission, a green confirmation message will appear at the top of the page. It may take a few minutes for the process to complete and appear in **View Results.** Once our system has finished loading your file, you can click the **Refresh** button and a results table will appear.

Use this table to confirm each line of your file upload was successful. Successful contributions are placed in a pending status, and can be viewed and edited in the **Pending Contributions** section of the main Contribution Manager page until they have been processed.

Sample Key Timeline:

Day 1: Wednesday	Day 2: Thursday	Day 3: Friday
Contribution file with Friday payroll date is uploaded on the portal by 4:45 p.m. ET.	Funds are pulled by ACH from employer bank account.	Contributions are posted and available to employees by 5 p.m. ET.

**Banking holidays may impact the contribution timing. Allow for additional time around holidays.

Option 3: Direct ACH

Submitting pre-tax HSA contributions via ACH direct is the easiest and fastest way to manage contributions because you likely already have a payroll process in place. You will follow your existing payroll process for direct deposit settings, simply use the bank routing number to the HSA bank depository, BMO Harris, and the employee's individual HSA account number.

The BMO Harris routing number for unsolicited ACH is 075072157. Should you choose to use ACH direct, it is recommended that you update your direct deposit authorization form to include a section for

the employee to add their health savings account information and the dollar amount they would like to be withheld and deposited. Employers can also request HSA account numbers by contacting HSA Client Services at 1-877-959-4161 or **HSAClientService@highmark.com**. Once this information is obtained from the employee or Highmark, follow the process outlined by your financial institution or payroll company to establish direct deposit of HSA withholdings.

Viewing Contribution Manager for Reconciliation

The main contribution manager page is where you will view all pending, posted, and denied deposits in one place, regardless of your funding method.

Main Menu > Employer > Contribution Manager > Contribution Manager

Customize your search requirements and payroll date range. This range cannot be greater than 90 days. Each section on this page can be expanded to reveal greater details:
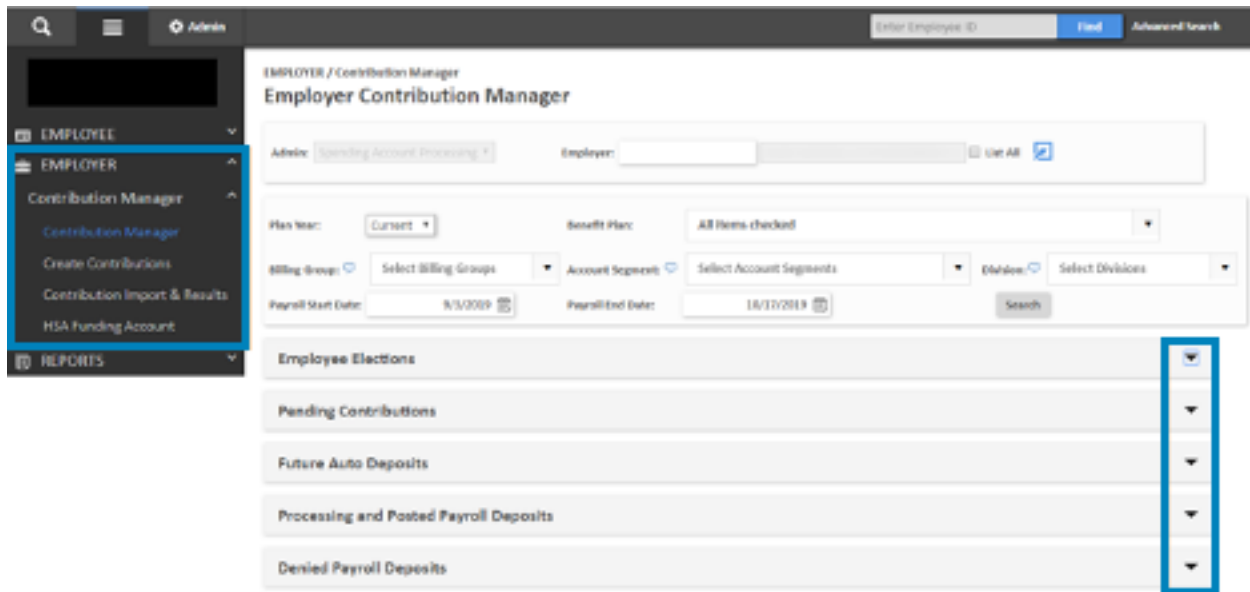
Employee Elections

Lists the employees currently associated with your HSA. Employee names will be hyperlinked to their homepage of demographic details.

Employee ID	Name	Contributions YTD	Account Type	Employee per pay Period	Employer per pay Period	Annual Election	Disb. Bal
XXXXX	Two, Test EE	$0.00	PNC	$0.00	$0.00	$0.00	N/A
XXXXX	Three, Test EE	$0.00	PNC	$0.00	$0.00	$0.00	N/A
XXXXX	Four, Test EE	$0.00	PNC	$0.00	$0.00	$0.00	N/A
XXXXX	One, Test EE	$0.00	PNC	$0.00	$0.00	$0.00	N/A
XXXXXEST2	FEESCHEDULE2, HSA	$0.00	PNC	$0.00	$0.00	$0.00	N/A
Total:		$0.00		$0.00	$0.00	$0.00	

5 employee elections found.

Pending Contributions

These are contributions that have been initiated but are awaiting processing and posting. Until the contribution has been posted, you can use the **Action** column to edit the amount of the contribution or delete it completely.

Other actions you can take are designated by buttons below the **Pending Contributions** table:
- o **Delete All:** Deletes all pending contributions.
- o **Expedite Processing of Pending Contributions:** Within two days of payroll, you can bypass the regular timeframe and begin processing contributions immediately. When contributions are not eligible to be expedited, such as the case of notional account types, this button will be disabled.

Pending Contributions									▲
Employee ID	Name	Display Date	Account Type	Deposit Type	Status	Employee Amount	Employer Amount	Action	
XXXXX	Two, Test EE	1/3/2018	PNC	Payroll	Pending - Funding Deposit	$20.00	$0.00	Edit Delete	
XXXXX	Three, Test EE	1/3/2018	PNC	Payroll	Pending - Funding Deposit	$20.00	$0.00	Edit Delete	
XXXXX	Four, Test EE	1/3/2018	PNC	Payroll	Pending - Funding Deposit	$20.00	$0.00	Edit Delete	
XXXXX	One, Test EE	1/3/2018	PNC	Payroll	Pending - Funding Deposit	$20.00	$0.00	Edit Delete	
XXXXXEST2	FEESCHEDULE2, HSA	1/3/2018	PNC	Payroll	Pending - Funding Deposit	$20.00	$0.00	Edit Delete	
Total:						$100.00	$0.00		
								5 pending contributions found.	

Delete All   Expedite Processing of Pending Contributions

Processing and Posted Payroll Deposits

This section shows all posted payroll deposits for the chosen plan and timeframe.

Posted Payroll Deposits								▲
Employee ID	Name	Effective Date	Deposit Type	Account Type	Employee Amount	Employer Amount	Contributions YTD	Disb. Bal
XXXXX	Three, Test EE	12/4/2017	Admin - Payroll Deposit	PNC	$400.00	$0.00	N/A	$1,300.00
XXXXX	Three, Test EE	12/4/2017	Admin - Payroll Deposit	PNC	$0.00	$50.00	N/A	$1,300.00
Total:					$400.00	$50.00		
							2 posted payroll deposits found.	

Denied Payroll Deposits

Any payroll deposits that failed or were denied by the administrator or employer are displayed in this section. The failure reason is provided along with an error code.

Denied Payroll Deposits   ▲

Employee ID ▲	Name	Effective Date	Deposit Type	Account Type	Employee Amount ($)	Employer Amount ($)	Failure Reason	Error Code
222222222	Reynolds,Lara	5/8/2015	Admin - Payroll Deposit	WCQ	$50.00	$25.00	The service start date must not be prior to the account open date. Service date must be on or after the account open date.	485
222222222	Reynolds,Lara	5/8/2015	Admin - Payroll Deposit	WCQ	$50.00	$25.00	The service start date must not be prior to the account open date. Service date must be on or after the account open date.	485
333333333	Hall,Kerry	5/8/2015	Admin - Payroll Deposit	WCQ	$20.00	$25.00	The service start date must not be prior to the account open date. Service date must be on or after the account open date.	485
333333333	Hall,Kerry	5/8/2015	Admin - Payroll Deposit	WCQ	$20.00	$25.00	The service start date must not be prior to the account open date. Service date must be on or after the account open date.	485
Total:					$140.00	$100.00		

4 Denied Deposits found.

Use the table below for common error codes.

Error Code	Error Description	User Description
471	Invalid Product Partner Current Year Contribution Transaction Code	Invalid Product Partner Current Year Contribution Transaction Code
472	Invalid Product Partner Current Year Negative Contribution Transaction Code	Invalid Product Partner Current Year Negative Contribution Transaction Code
473	Invalid Product Partner Account Number DDA	Invalid Product Partner Account Number DDA
502	Bank account closed	Previously active account has been closed by the customer of RDFI.
504	Invalid bank account number	Account number structure is not valid.
516	Bank account frozen	Funds in bank account are unavailable due to action by RDFI or legal order.
543	External funding deposit failure	External funding deposit failure
587	Exceeds Family + Catch-up Limit	Contribution amount would exceed the IRS limit for Family coverage + Catch-up.
588	Exceeds Family + Catch-up Limit	Contribution amount would exceed the IRS limit for Family coverage + Catch-up.
589	Exceeds Single Limit	Contribution amount would exceed the IRS limit for Single coverage. Note: Participant has Single coverage.
590	Exceeds Single + Catch-up Limit	Contribution amount would exceed the IRS limit for Single coverage + Catch-up. Note: Participant has Single coverage.
591	Exceeds Family Limit	Contribution amount would exceed the IRS limit for Family coverage. Note: Participant has Family coverage.
592	Exceeds Family + Catch-up Limit	Contribution amount would exceed the IRS limit for Family coverage + Catch-up. Note: Participant has Family coverage.
593	Exceeds Family + Catch-up Limit	Contribution amount would exceed the IRS limit for Family coverage + Catch-up. Note: Participant does not have valid coverage tier assigned.

594	Exceeds Family Limit	Contribution amount would exceed the IRS limit for Family coverage. Note: Participant does not have valid coverage tier assigned.
471	Invalid Product Partner Current Year Contribution Transaction Code	Invalid Product Partner Current Year Contribution Transaction Code

HSA Reporting

HSA reports are a good way for you to track your employees' account statuses and reconcile contributions.

Main Menu > Reports > Request > HSA Administration

HSA Account Details Report

This report can be used by employers to view details about employees' HSA accounts. The report can be used to identify accounts that are pending CIP, inactive HSA accounts, account open and close dates, and general account statuses.

HSA Funded Contribution Report

Use this report to confirm the status of payroll contributions submitted within a specified date range. It helps you to easily confirm contributions posted successfully and identify reasons for failure.

If a contribution is submitted for an employee whose HSA status is not active, the contribution will fail and will be reflected on this report. Failed contributions must be reviewed and resubmitted once the HSA is active.

The total dollar amount of successful contributions should balance to the amount of the ACH pulled from the employer.

Funded Contribution Status Report
Contributions For Dates: 7/1/2017 - 7/18/2017
Contributions Status : All
Report Generation Date: 7/18/2017 6:26:45 AM

Tpa Id	Tpa Name	Employer ID	Employer Name	Plan ID	Partner Name	External Account ID	First Name	Last Name	Employee ID	Account Type Code	Contribution Amount	Contribution Status	Error Description
T011111	ZYZ	ABC123	ABC Company	HSA	Bank Name		Payroll	Test	987654321	HSA	66.67	Unsuccessful	Invalid Product Partner Account Number DDA
T011111	ZYZ	ABC123	ABC Company	HSA	Bank Name	123456789	Payroll	Test 2	147258369	HSA	268.75	Successful	Success.

HSA Payroll Reconciliation Report

This report provides a list of payroll-funded HSA deposits within a specified date range. Use this report to reconcile employee contributions posted via ACH direct as well as payroll funding for you and your employees.

This report does not include failed or unsuccessful contributions. The total contributions reflected in this report should balance to the amount of the ACH pulled from your funding bank account, or the total amount transmitted via ACH.

Employee Deposit Log

This report shows all deposit activity to participant benefit accounts. The report can be used to reconcile, all or specific deposit types, that occurred within a date range.

Employee Deposit Log
Deposit Date Range: 1/1/2018 – 1/31/2018
Employers: ABC Company
Generated: 10/18/2019 11:18:47 AM

Employer name	Employer ID	Employee Id	Employee SSN	Employee Last Name	Employee First Name	Division	Class	Account Type	Plan ID	Plan Start Date	Plan End Date	Deposit Type	Transaction Date	Payroll Date	Beginning Balance	Deposit Amount	Employee Amount	Employer Amount	Source	Ending Balance
ABC Company	HMK240701	XXX-XX-0010	XXX-XX-0020	SMITH	THOMAS				PNC	HSA	06/01/2017	12/31/2099	Payroll Deposit	01/23/2018	01/23/2018	-	$1,000.00	$1,000.00	-	Manual	-
ABC Company	HMK240701	XXX-XX-0010	XXX-XX-0020	SILVA	SILVIA				PNC	HSA	06/01/2017	12/31/2099	Payroll Deposit	01/28/2018	01/28/2018	-	$1,000.00	$1,000.00	-	Manual	-
ABC Company	HMK240701	XXX-XX-0010	XXX-XX-0030	LANCASTER	DIANA				PNC	HSA	06/01/2017	12/31/2099	Payroll Deposit	01/23/2018	01/23/2018	-	$200.00	$200.00	-	Manual	-
ABC Company	HMK240701	XXX-XX-0010	XXX-XX-0030	REYNOLDS	BURT				PNC	HSA	06/01/2017	12/31/2099	Payroll Deposit	01/23/2018	01/23/2018	-	$500.00	$500.00	-	Manual	-