



# Health Advantage Employer Implementation “Quick Start” Guide

## Enrollment Methods

Employers have three options for submitting enrollment data to Optum. For all products/plan types, submission of participant demographic data and plan enrollment data is required.

Participant demographic data is always submitted first, and is sometimes referred to as employee census information (name, SSN, DOB, hire date, and so on). Employment terminations are also handled via demographic data updates. The enrollment data, submitted after successful processing of the demographic data, designates which product/plan the participant has enrolled in (one or multiple).

Review the summary for each enrollment method below to select the one that would be most beneficial for your benefits situation.

### **OPTION 1: Enter data directly via the Optum Employer Portal website**

Employers generally use this option when they have a relatively smaller number of items to enter, since this process is used to add each employee individually and add each plan enrollment individually.

### **OPTION 2: Self-service file upload via the Employer Portal “Imports” page**

Employers use this option to access an Excel-based enrollment template and upload a completed spreadsheet of enrollment specifics. The step-by-step details on how to use this option are outlined in the “Imports” page of the Employer Portal (hover over the “Imports” tab and then select Import Data).



## Optum Bank Overview

Thank you for choosing Optum Bank®, Member FDIC, as your benefits account administrator. This Employer resource guide is intended to help ensure a smooth implementation as well as successful ongoing administration with Optum Bank. Throughout this document, we have included links to other sites with resources to assist you and help your employees get the most value from your plan design. We offer the highest level of service to all our clients, from small Employer groups to Fortune 500 companies.

### **OPTION 3: Automated file transfer process**

Employers use this option to automatically transmit demographic/enrollment data files by utilizing the sFTP (secure file transfer protocol) site established by Optum. Optum recommends having an internal IT resource or data file vendor available for the build and setup of this file feed process. Your Optum representative will help facilitate the setup tasks and testing required if using this option.

### **Enrollment file tracking via the online Import Queue**

When using Option 2 or Option 3 above, Employers can view the files submitted and track for status and data errors by logging into the Optum Employer Portal. Access the “Imports” page, then access the Import Queue. Exception Reports should be used to view any error details and correct/resubmit any data as needed.

## **Account Opening/Verification Process For HSA**

When an individual applies to open an HSA, federal law requires financial institutions to obtain, verify, and record information that identifies that person. The screening procedures (also known as “vetting” or “Know Your Customer”) includes an identification check that the applicant is who they claim to be, and validation that the applicant is not on any lists of known or suspected terrorists.

If an application does not pass the screening process due to a mismatched name, address, date of birth, or Social Security number, the individual will receive a failed vetting letter and/or an email from Optum requesting additional information. If the applicant does not respond to the initial request, follow-up reminders will be sent to prompt a response. If the additional information is not provided as requested, the application is cancelled and applicants will need to re-enroll if they wish to open an HSA.

## **Reporting**

Standard scheduled reports available on the Optum Employer Portal include:

- **Account Balance Detail Report (for notional products)** – Shows enrolled participants, plan enrollment details, elections and balances.
- **Fee Funding Notification (for HSA)** – Shows all HSA service fees to be funded on a specific date.
- **Employer Funding Notification Report (for notional products)** – Shows weekly claim activity and the corresponding funding amount required. This report detail can be used to help reconcile with the funding notifications sent separate via secure email.
- **Enrollment Report (for notional products and HSA)** – Shows a snapshot of enrollment information.
- **HSA Account Detail Report (for HSA)** – Shows an overview of each HSA along with individual payroll contribution and Employer contribution information.
- **HSA Employer Summary Report (for HSA)** – Shows aggregate monthly HSA statistics and balances.

- **HSA Funding Collection Notification (for HSA)** – Shows final amounts and timing details in connection with contribution data submitted by the Employer. These notifications confirm the corresponding funding amount to be collected from the Employer.
- **Repayments Report (for notional products with the card feature)** – Shows any payment card transactions that have not been substantiated. Optum will request repayment from the participant for these transactions.

## Employer Best Practices

Ensure your enrollment processing goes as smoothly as possible with the best practices described below.

### **Provide physical street addresses (cannot be a P.O. Box when enrolling in HSA)**

Request an updated physical street address from your employees prior to entering enrollment data. The USA PATRIOT Act mandates that all banks verify certain information about an individual before an account can be opened. As a result, each individual who enrolls for HSA must be vetted through a customer identification process. To ensure a successful vetting process, the employee’s address must be a street address and not a P.O. Box.

### **Communicate to employees when they should receive their Optum payment cards and enrollment confirmation letters/welcome/kits**

Many times, Employers have a brief “processing period” (after employees make their benefit selections, but before information is sent to Optum). To avoid confusion, make sure employees know that once they receive their Optum payment card and enrollment confirmation letter/welcome kit, they can call Optum with questions about their account.

### **Communicate to your employees the dates that you expect to be submitting initial contributions details to Optum**

Account holders often call Optum, rather than their benefit or payroll department, inquiring about initial payroll processing or Employer contribution processing for their account. Since contribution dates are at the discretion of the Employer, this is not information that Optum can provide in all cases. Communicating the anticipated date for your first contribution cycle will reduce unnecessary accountholder confusion.

## Contribution Methods

Aligning with the standard options for submitting enrollment data, Employers also have three options for submitting contribution data (periodic employee payroll contribution amounts or Employer contribution amounts) to Optum. An employee’s plan enrollment data must be processed and reflect active enrollment before any contribution data can be accepted.

Review the summary for each contribution method below in order to select the one that’s best for your organization.

**OPTION 1: Enter contribution data directly via the Optum Employer Portal**

Employers can use online functionality to set up a one-time or recurring contribution schedule. By selecting from system setup details such as plan year, plan type, and contribution date, Employer Portal users can create a schedule and complete fill-in fields to provide the applicable contribution amounts.

**OPTION 2: Self-service contribution file upload via the Employer Portal (“Imports” page)**

Employers use this option to access an Excel-based contribution template and upload a completed spreadsheet of contribution amounts. The step-by-step details on how to use this option are outlined in the “Imports” page of the Employer Portal (hover over the “Imports” tab and then select Import Data).

**OPTION 3: Automated file transfer process**

Employers use this option to automatically transmit contribution data files by utilizing a sFTP (secure file transfer protocol) site. Optum recommends having an internal IT resource or data file vendor available for the build and setup of this file feed process. Your Optum representative will help facilitate the setup tasks and testing required if using this option.

**Contribution file tracking via the online Import Queue**

When using any of the options above, Employers can view the files submitted and track for status and data errors by logging into the Optum Employer Portal. Access the “Imports” page, then access the Import Queue. Exception Reports should be used to view any error details and correct/resubmit any data as needed.

Common contribution file errors described in the Exception Report may include “participant not found” or “plan name not found” language. This may indicate that the demographic data or enrollment data was not previously loaded as required, or may be the result of an incorrect employee identifier or incorrect plan name on the contribution file. Once the reasons for the errors are determined, contribution data can be re-sent using one of the methods listed above.

**Contributions and Available Balances for Different Products/Plan Types**

**Dependent Care FSA, Transit/Parking Accounts, and HRA:**

Dependent Care FSA, Transit/Parking Accounts, and HRA amounts are available according to the Employer’s established payroll deduction frequency or Employer contribution frequency. Only reported contributions are available/reflected in the participant’s available balance (sometimes referred to as a “pay to balance” scenario).

**Health Care FSA/Limited Purpose FSA:**

Health Care FSA/Limited Purpose FSA amounts are available at the start of the plan year and payroll contributions do not affect the participant’s available balance (sometimes referred to as a “pay to election” scenario).

### **HSA:**

Contributions are applied according to the Employer’s contribution frequency (which may be different for employee contributions versus Employer contributions). Only reported contributions are available to the participant.

## **Health Accounts Education Suite**

Our exclusive Health Accounts Education Suite is a toolbox of ready-to-use communications, documents, and resources to help with education and engagement within your employee population. A complete library of health accounts education is accessible at **[openenrollment123.com](https://openenrollment123.com)**.

The [openenrollment123.com](https://openenrollment123.com) site provides educational tools, brochures, videos, and other guidance to be used in preparing for annual benefits enrollment. Key items include:

- “Two-minute Answers”—a series of videos on health accounts
- Self-guided tours — brief, interactive presentations that allow employees to learn at their own pace
- Live and prerecorded webinars on health accounts topics
- Informative flyers to share with your employees

You can also encourage your employees to visit [optumbank.com](https://optumbank.com) throughout the plan year for additional information such as links to forms, IRS resources, and frequently asked questions.

## **Tax Forms Associated With HSA**

HSA accountholders should be made aware of the three tax forms associated with an HSA: IRS Form 1099-SA, IRS Form 5498-SA, and IRS Form 8889.

### **ANNUAL IRS FORM 1099-SA**

This form provides accountholders with the total distributions that were made from their HSA. It’s mailed to the accountholder, with a copy sent to the IRS, at the end of January each year. If the accountholder did not have distributions during the tax year, he or she will not receive a 1099-SA. Account holders should retain a copy for their records.

### **ANNUAL IRS FORM 5498-SA**

This form informs accountholders of the contributions made to their HSA in that particular tax year. It is mailed to the accountholder, with a copy sent to the IRS, at the end of January each year. Accountholders can make contributions to their HSA for a particular tax year until the tax filing deadline in the following year (typically April 15). Accountholders who make a prior year contribution between January 1 and April 15 will receive a revised 5498 in May after the tax deadline has passed.

## **IRS FORM 8889**

Accountholders will file this form with their income taxes to report year-to-date contributions and distributions from their HSA.

## **Frequently Asked Questions**

### **As an authorized portal user, what website will I go to and what login credentials will I use?**

Go to <https://employers.optumhealthfinancial.com> to login using your Employer Portal credentials. When your access is activated, you will receive an automated email that provides this web link and a temporary password for initial login. For security reasons, your username is not part of this auto-email and will be provided separately by your Optum representative.

### **What is the process for adding or removing employer portal users?**

If another company contact needs to be granted Employer Portal access, or if a former contact needs to be deactivated, please contact your Optum representative and provide the details regarding the change to be made. Your Optum representative will be able to assist.

### **Why am I receiving auto-emails about reports available online when my benefit plan year hasn't started yet?**

Auto-notification emails are sent periodically to let designated users know that new reports are available for viewing online. Depending on group setup timing, these scheduled auto-notifications may be activated prior to when your participant/enrollment data is loaded. In these situations, the notification emails can be disregarded for the time being (generally until participant/enrollment data has been successfully loaded).

### **Will actual employer report data be included in the auto-notification emails?**

No. The auto-notification emails mentioned above will not contain the actual report being referenced. The emails are sent as reminder notifications, letting you know that a new version of a given report can be accessed via the secure Employer Portal.

### **What data records must be submitted in order to have payment cards sent to my employees? And how long does card production take?**

When an employee's demographic and enrollment data is successfully submitted and loaded in the Optum system, the process for generating the payment card begins. Generally, Optum generates and mails the cards to enrolled employees within 7-10 business days after their enrollment data is processed successfully.

### **How does an employee open an HSA?**

Each individual must indicate their intent to open an HSA with Optum Bank. Subsequently, the Employer will use one of the enrollment methods (described earlier in this guide) to submit HSA enrollment data on behalf of that individual. This enrollment data serves as the functional trigger to start opening the new HSA.

**PLEASE NOTE:** Before opening an HSA for any new applicant, Optum Bank must perform certain screening procedures, referred to as “Know Your Customer” (KYC) screening.

### **What are some common reasons for and HSA applicant to fail the KYC screening?**

- Misspelled name or address
- Data entry error — applicant’s name, address, Social Security Number or date of birth was submitted incorrectly
- Applicant recently moved to a new address
- Applicant recently changed their name
- Applicants are younger individuals or other individuals who do not have a credit history or information available through public records

### **How are employer funding requests handled for notional products like FSA vs. HSA?**

#### **FSA Employer Funding Requests:**

- For FSA funding purposes, an imprest funding (imprest balance) model is utilized. A one-time funding request for the starting imprest balance amount will be presented to the Employer after the initial enrollment data is submitted to Optum.
- Ongoing, Employer Funding Notification reporting is available weekly via the Optum Employer Portal (assuming there is claims/reimbursement activity to fund). Notification reporting available online will document the amount of funding required for that processing period (total amount as well as amount by plan and amount by participant).
- Ongoing, Optum will also send a funding email to the Employer’s funding notification contact (weekly via secure email). This email confirms the total dollar amount being debited from the Employer’s bank account as a result of the reimbursement activity during that processing period. This email is typically used by an Employer’s finance team and is intended to confirm the final amount being debited (not claim detail).
- Funding is subsequently debited from the Employer’s designated bank account to replenish the imprest balance weekly.

**HSA Employer Funding Requests:**

- When HSA contribution data is submitted by the Employer and processed by Optum, an HSA Funding Collection Notification is generated and posted on the Employer Portal the following business day.
- This Notification, available online, serves to notify the Employer of the total funding amount required (based on the HSA contributions being applied).
- Funding is subsequently debited from the Employer’s designated bank account on the date specified in the HSA Funding Collection Notification.



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