

PNC BENEFIT PLUS

HEALTH SAVINGS ACCOUNTS

FREQUENTLY ASKED QUESTIONS



PNC BeneFit Plus delivers a comprehensive solution for administering Health Savings Accounts (HSAs) through a flexible online portal that is simple and easy to manage.

Q Why should I choose PNC as my HSA Custodian and Administrator?

PNC, as one of the nation's largest banking institutions, has been an industry leader and innovator in HSAs since their inception in 2004. We bring a wealth of knowledge, expertise and leadership in providing robust solutions that add value to the benefit programs you offer your employees. The fully integrated PNC BeneFit Plus solution brings education and administrative efficiencies and fosters employee engagement for our employer relationships.

Q How do I enroll employees, process payroll contributions on their behalf, and manage my HSA program?

The PNC BeneFit Plus Employer Portal is your gateway for complete management of your HSA program. Once you sign up, a dedicated, knowledgeable Implementation Specialist will guide you through getting your program started and helping you feel comfortable with managing your HSA program.

The portal provides you easy-to-use options for enrolling your employees and making payroll and/or employer contributions right from your desktop:

- Use the Automated Employee Enrollment Tool in the PNC BeneFit Plus Employer Portal to upload Demographic/Enrollment Files containing employee enrollment information.
- Upload employer and/or payroll files to the secure PNC BeneFit Plus Employer Portal.

- Add a single employee or a series of employees to your program using a simple, intuitive web page within the PNC BeneFit Plus Employer Portal.

Q What type of tools do my employees have to manage their HSA?

The PNC BeneFit Plus Consumer Portal is a state-of-the-art website designed specifically for managing healthcare spending. Benefits include:

- Complete, intuitive account management functionality, including robust account notification options.
- The easy-to-use self-service access provides convenient distribution options, including Online Bill Pay and the ability to electronically reimburse oneself to a personal bank account.
- The Expense Tracker enables employees to consolidate, track and categorize expenses online and budget for annual healthcare expenses.
- The integrated PNC BeneFit Plus Mobile App¹ allows employees to manage their expenses on the go.
- The PNC BeneFit Plus debit card provides convenient access to HSA funds that can be used to pay for qualified medical expenses.²
- A dedicated and experienced service team is available toll-free from 8:00 a.m. to 8:00 p.m. ET to answer any questions or assist in maximizing your employees' HSA experience.

Q Are there investment options available for my employees to grow their account?

Yes. Employees have the option to direct the investment of account balances over a specific threshold into a selection of no-load or load-waived mutual funds.³

Q Are there mobile capabilities for my employees?¹

Yes. Your employees can download the PNC BeneFit Plus Mobile App¹ to manage their health expenses while on the go. They can upload and store receipts for record keeping, view transaction details and account balance information (including their investment account balance), and request distributions. The mobile app is compatible with Apple® devices (iPhone®, iPod touch®, iPad®) version 6.0 or higher and Android devices version 2.2 and higher.

Q I have an existing HSA program with another administrator. Is it easy to transfer programs, and can my employees transfer their HSA to PNC?

Yes. PNC has substantial experience in working with employer relationships that have existing HSA programs. We can minimize the impact to your employees and can assist in providing the necessary Direct Rollover/Transfer Request Form and instructions for your employees.

Q I offer my employees other benefit spending accounts, such as Flexible Spending Accounts (FSAs). Can PNC administer these programs as well?

Yes. PNC offers the full suite of employee benefit spending accounts, including Health FSAs, Dependent Care FSAs, Health Reimbursement Arrangements (HRAs) and other benefit spending programs such as Transit accounts, all through the PNC BeneFit Plus Employer Portal. Your employees benefit from viewing and managing their accounts in one location and accessing available account funds on a single debit card.

HSA Contributions

Q When can contributions to an HSA begin?^{4,5}

Contributions may begin on the first day of the month in which the Eligible Individual is enrolled in the HDHP.

Download the **PNC BeneFit Plus Mobile App** today



Download the PNC BeneFit Plus Mobile App today

1. Go to the App Store® or Google Play™
2. Search for “PNC BeneFit Plus”
3. Download the PNC BeneFit Plus Mobile App



Q Who is considered an Eligible Individual?⁵

An Eligible Individual is anyone who:

- is covered under a High Deductible Health Plan (HDHP)
- is not covered by any other health plan that is not an HDHP
- is not currently enrolled in Medicare or TRICARE
- has not received medical benefits through the Department of Veterans Affairs (VA) during the preceding three months
- may not be claimed as a dependent on another person's tax return

Q Do HSA contributions have to be made in equal amounts each month?⁵

No. An employer and/or an employee may contribute any amount into an HSA, up to the maximum annual contribution limit, during the applicable tax year.

Q As the employer, can I contribute to an employee's HSA?⁴

Yes, you can contribute to your employees' HSAs. Plus, you save on payroll and FICA taxes through tax-deductible contributions. Keep in mind, total combined employer and employee contributions to an employee's HSA cannot exceed the annual limit set by the Internal Revenue Service (IRS).

Q As an employer, do I have to contribute the same amount to every employee's HSA?^{4,5}

No. If an employer elects to contribute to their employee's HSA, they must make "comparable" contributions to all participating employees' HSAs in the same dollar amount or same percentage of the employee's deductible — for all employees in the same "class." Employers may vary the contribution level for full-time versus part-time employees, and employees with individual coverage versus family coverage.

Q How are HSA contributions treated for owners/shareholders of S corporations, partners in a partnership or limited liability company (LLC), or self-employed individuals?⁴

There are unique circumstances for these specific ownership/employment situations. Please consult your tax advisor or the IRS.

Q As an employer, can I control how my employees spend their HSA funds?⁴

No. HSAs are individually owned, and employees have full ownership and control of contributions to their account as soon as the funds are deposited (in the same manner that their wages are deposited to a personal checking or savings account). Employees are responsible for managing their HSA according to IRS guidelines.

Q Who is responsible for paying any service fees that may be incurred on the HSA?

The employee is responsible for paying any fees that may be incurred on the HSA. The fees may be debited directly from their HSA. Once the average daily balance exceeds \$5,000, the HSA accountholder monthly administrative fee is waived.

Employers have the option to pay any monthly administrative fee on behalf of their employees.

Q What happens to an HSA if an employee terminates from the company?⁴

HSAs are portable; therefore, former employees keep their account, and any funds in the HSA can be used to pay for qualified medical expenses. If employees are no longer covered by an HSA-qualified HDHP, they cannot contribute to their HSA.

Employers can manage an employee's employment status within the PNC BeneFit Plus Employer Portal. This ensures that the employee is removed from your active roster (and your invoice if you are paying service fees on behalf of your employees).

Q How do I get started?

You will first need to complete and sign our "Benefits Design Guide" and sign our Administrative Services Agreement. You can find these documents by visiting pnc.com/pncbenefitplus.



READY TO HELP

By working with PNC, you gain access to a broad range of financial services from an institution recognized for excellence. To find out more about PNC BeneFitPlus, visit pnc.com/pncbenefitplus or contact your Treasury Management Officer or WorkPlace Banker or call **1-800-669-1518**.

¹ Standard message and data rates may apply.

² To view a partial list of qualified medical expenses, see *IRS publication 502*, available at <http://www.irs.gov/pub/irs-pdf/p502.pdf>

³ Shares of mutual funds are not deposits or obligations or guaranteed or endorsed by any bank, nor are they federally insured or otherwise supported by the Federal Deposit Insurance Corporation or other government agency. Investments in mutual funds may lose value, including possible loss of principal. Please read the prospectus carefully before you invest. **Investments Not FDIC Insured. No Bank or Federal Government Guarantee. May Lose Value.**

⁴ PNC does not provide legal, tax or accounting advice. Consult your tax advisor about tax benefits applicable to Health Savings Accounts or other benefit accounts, such as FSAs, HRAs or QTAs.

⁵ To view more information about Health Savings Accounts, see *publication 969* at <https://www.irs.gov/pub/irs-pdf/p969.pdf>

App Store is a service mark of Apple Inc., registered in the U.S. and other countries.

©2018 Google LLC All rights reserved. Android and Google Play are trademarks of Google LLC.

Visa is a registered trademark of Visa International Service Association in the United States and other countries.

PNC is a registered mark of The PNC Financial Services Group, Inc. ("PNC").

Banking and lending products and services, bank deposit products and treasury management services for clients and/or customers are provided by PNC Bank, National Association, a wholly-owned subsidiary of PNC and **Member FDIC**.

©2018 The PNC Financial Services Group, Inc. All rights reserved.

CIB HC PDF 0318-098-741401