

**Administrative Services Proposal for
Sourcewell**

Transforming your benefits experience

People. Customer service. Technology.

Learn how our investment in these three areas provides you and your participants the knowledge and tools you need for a positive experience.

Date issued: March 15, 2023

Quoted rates within are valid until the proposed effective start date of June 1, 2023.



wex™

Administrative Services Proposal

March 15, 2023

Greetings,

Thank you for the opportunity to present our services for Sourcewell. WEX has been administering benefits since 1987 and has built up our reputation by being a leader within the benefits technology space. We are committed to providing clients across all industries and sizes the ultimate experience.

WEX is uniquely positioned to offer you the industry's best platforms and service to take your business to the next level. WEX simplifies benefits by delivering the broadest range of consumer and healthcare solutions as well as the services to make them successful, all built on the industry's most modern, reliable platform.

The complexity of health, wellness, and consumer benefits demands a robust platform and flexible solutions that make the best choices easy. Only WEX delivers it all. We take the complexity and pain out of creating, promoting, or participating in health and consumer benefits. For clients, we bring a single flexible, proven platform built for the constant innovation the market demands. For brokers and consultants, we bring the power of insight drawn from the industry's biggest pool of data so that you can quickly customize solutions for each unique opportunity. And if you're a plan member or consumer, we deliver the power of every benefit on one card, from HSA to tuition repayment plan. For every need, we simplify benefits for everyone by delivering the right solution for you.

Our platform supports health savings accounts (HSAs), flexible spending accounts (FSAs) – health and dependent care, health reimbursement arrangements (HRAs), wellness and incentive plans (LSAs), commuter benefits plans (transit and parking), VEBA and COBRA + Direct Bill.

WEX currently has over 2,000 employees located in Fargo, ND, Brookings, SD, Edina, MN, St. Louis, MO, Omaha, NE and Simsbury, CT. WEX Health's principal place of business is Simsbury, CT; however, service teams are located in Fargo, ND and Brookings, SD. WEX has an excellent client retention rate, illustrating our commitment to establishing long term partnerships with our clients. WEX backs up its service standards with quarterly performance guarantees.

Relationship Management. Sourcewell will be assigned a dedicated Partner Solutions Manager, who will oversee the day to day operations and continue to enhance the technology, services and integration with our partnership for your clients. This individual would be responsible for coordinating efforts internally between our internal service delivery teams while providing a high level of service and responsiveness to Sourcewell's contacts. The Partner Solution Manager would serve as the main point-of-contact during both the implementation process and throughout the ongoing day-to-day relationship with Sourcewell, educating on plan options and product design while painting a clear picture of WEX services.

Administrative Services Proposal

WEX has around 240 Client Service representatives, with an average tenure of around 4 years. Sourcewell clients would be serviced by our dedicated Client Services team. Clients of similar size and products find great success in this service model. There are multiple ways for them to connect with us – they can call, email, or quickly submit a question through Leap. The goal when serving our mutual clients is full availability, quality and responsiveness, through whatever method of communication is most convenient for them. And it works; by offering the group these options, supported by our team of experts, we're able to get them the information they need when they need it; it just works. We have a 30-second average speed-of-answer on calls, 3-day resolution on cases (with single point of contact) that require additional solutioning, and a 4-hour average response time on cases submitted through our case management tool, with 60% resolved in the first response. We excel in service and will continue to do so.

Implementation. WEX recommends an implementation timeline of approximately 60 days to ensure a smooth transition; however, the timeline can certainly be adjusted depending on the employer's wishes. Once all of the required documentation is received plan set up can take up to 20 business days for Benefits and 30 business days for COBRA administration.

Integrations. We understand that strong integrations with our clients' technology platforms saves everyone time and stress in the set-up process and on-going administration of our products. WEX streamlines data exchange by building automation software that allows for integrations with virtually any HRIS, ben admin, health plan or payroll vendor, allowing for timely enrollment and plan updates to occur without human intervention. We are integrated with over 350 payroll, HRIS, benefit enrollment platform vendors, and over 400 insurance carriers and have over 16,500 integrations in place today. We are able to work with any file vendor during the implementation process. Clients will be provided a dedicated Integration Analyst who will work with them and their carriers to ensure file feeds are set up in an efficient and timely manner.

Technology Consolidation. Our proprietary and innovative technology, Leap, provides employers with one central hub for plan administration, including a seamless implementation, hands off renewal experience, ongoing account transparency and fast and accurate answers to employer inquiries. We are one of the only competitors in the industry that does not require separate logins for client's reimbursement and COBRA platforms.

Unified and Automated User Experience. We make it easy for participants to manage all of their reimbursement accounts by offering an integrated platform (online account and mobile app) that supports access to all reimbursement account information in one experience.

Administrative Services Proposal

When you're relied on to support healthcare and financial needs, a user-centric model is vital. That model requires empathetic people, responsive customer service, and easy-to-use technology that are not just available but are working together to meet your needs before you know you have them. But when participants have questions, we'll have the answers.

Please let us know how we can best support Sourcewell regarding the enclosed proposal.

Thank you,

Emily Tate

VP of Sales

WEX

5050 Lincoln Dr, Edina, MN 55436

C (651) 425-1340

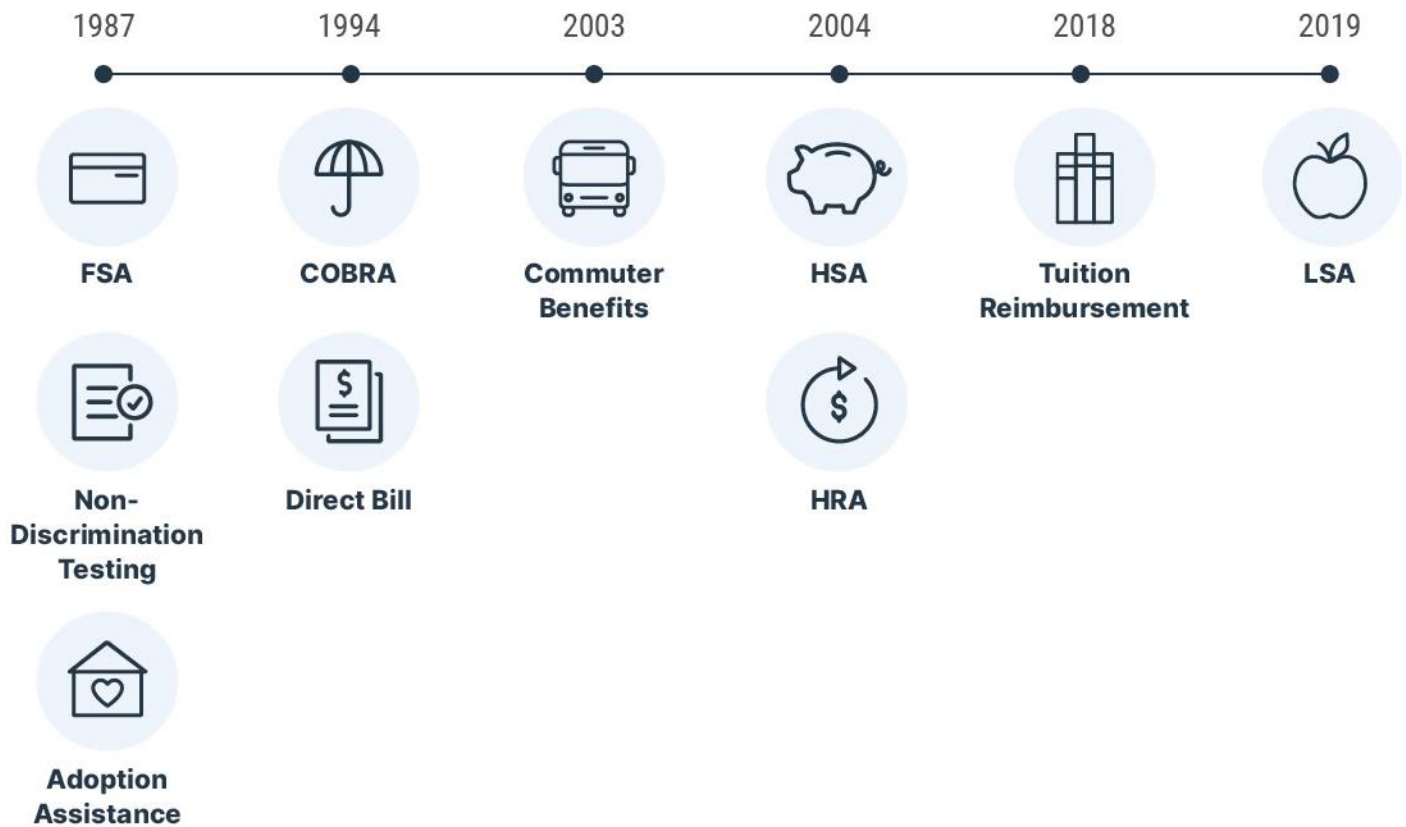
etate@wexhealthinc.com

Our Products

WEX simplifies the administration of these products with the goal of serving as an extension of the HR team and keeping benefits quiet.

90%

Of our clients chose us because they're looking for a better service experience for themselves and their employees.



Simplifying benefits for everyone.

We offer the broadest range of healthcare benefits solutions built on the industry's most modern and reliable technology and supported by our accountable and empathetic service experts.



Our benefits technology supports:

- Over 7 million HSAs
- Almost 60% of the Fortune 1000



Our service stands apart:

- All customer support centers located in the United States
- Over 91% of our clients renew with us annually
- 90% of employers choose us when looking for better service
- Our proactive approach to service resulted in a decline in customer service support inquiries despite a 23% growth of participants in 2020



We're recognized as:

- A certified Great Place to Work®
- Winners of the Mobile Star Award

Your employees trust you to help them make smart decisions about their benefits package. You can trust us to deliver. Focus on what matters most to you. We'll take care of the rest.

That's the WEX difference.

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Who is WEX?

Powered by the belief that complex payment systems can be made simple, WEX (NYSE: WEX) is a leading financial technology service provider. We provide payment solutions to businesses of all sizes across a wide spectrum of sectors, including fleet, corporate payments, travel and health.

- WEX has offices in 14 countries and employs approximately 5,400 associates around the world
- Led by Melissa Smith, Chair and CEO of WEX

The WEX difference



Flexible spending account administration

- LEAP, our easy-to-use employer platform, lets you view and update participant accounts, view reporting, and upload files in one place.
- Integrations with more than 350 payroll/HRIS/benefits administration partners and more than 225 insurance carriers removing manual processes to save you time.
- A responsive participant services team and on-demand resources to help your employees get more out of their FSAs and reduce questions about their plans.
- Email alerts and text notifications so your participants can stay up-to-date on their claim filing and substantiation needs.
- With one debit card, one mobile app, and one online account to manage their FSA, participants get a simplified and personalized experience right from the start.

100%

of all claims submitted manually (fax or mail) are approved within 2 business days; 57% are approved within 24 hours.

Administrative Services Proposal - FSA

Types of flexible spending accounts

Medical FSA

A medical FSA covers general-purpose health expenses and can be used for qualified expenses such as prescription drugs, insurance copayments and deductibles, and medical devices.

Limited medical FSA

A limited medical FSA covers qualifying dental, vision, and preventive care expenses. It can be paired with an HSA-eligible health plan and a health savings account (HSA).

Combination FSA

A combination FSA (sometimes referred to as a post-deductible FSA) allows a participant to use their FSA to pay for qualified vision and dental expenses until they've met the IRS deductible. Once the deductible has been met, their account converts into a medical FSA and more expenses will be eligible. Similar to the limited medical FSA, the combination FSA can be paired with an HSA.

Dependent care FSA

A dependent care FSA helps participants save money on eligible dependent care services, such as child (up to age 13) or adult daycare, before or after school programs, summer day camp, and more.

FSA employee experience



Mobile and online account

Once your employees enroll in benefits, they will have a consistent experience with one mobile app and online account for their FSAs and any other benefits they have with us. Access includes:

80%

of our users preferred our benefits mobile app to the competition in a usability study

Administrative Services Proposal - FSA

Feature	Mobile App	Online Account
File a claim	✓	✓
Sign up for informational text alerts <i>(Claim confirmations, purchase alerts and balance notices)</i>	✓	
View account balances and account history	✓	✓
View and update profile information <i>(Includes dependents and beneficiaries. Availability varies based on your account setup and integrations with benefit administration systems.)</i>	✓	✓
View basic debit card information and report it lost or stolen <i>(which results in a new debit card being sent to participant)</i>	✓	✓
View YTD elections, contributions, and distributions	✓	✓
Update and add banking information for direct deposit	✓	✓
Eligible expense scanner to determine FSA eligibility of merchandise <i>(For use in stores such as Target, CVS, Walgreens, etc.)</i>	✓	N/A
Log in with Face ID or Touch ID	✓	N/A
Access to knowledgebase of articles, videos, and tutorials	✓	✓
Review and download account statements and tax documents	✓	✓
Let's Chat; 24/7 chat bot to answer participant questions		✓

Administrative Services Proposal - FSA

Benefits debit card

Your employees can count on the WEX benefits debit card for easy ability to spend their FSA funds.



- ✓ Simply swipe our debit card at the point of purchase.
- ✓ The debit card includes all WEX benefits, so it will pull funds based on benefit eligibility.
- ✓ Use mobile payments by adding the benefits debit card to Apple, Google, or Samsung digital wallet.

Educational resources and tools

The better employees understand their FSA, the more likely they are to engage with it, helping them (and you) save money.

Education is the key to success of these plans for the employer and participant, but education on benefits is not a “one size fits all.” We provide resources and support options for every participant. We collaborate with you on what solutions will resonate the most to drive employee engagement and ultimately build confidence in the benefits experience.

Text alerts, push notifications, and email notifications

Your employees can also sign up for text alerts and email notifications to notify them of certain types of account activity, such as debit card changes (mailed, purchase made, etc.), payments issued, claim statuses, and more.

Watch a quick technology teaser video or request a demo to see the full experience.



[Participant Portal – Multi Account](#)

[Participant Portal – Mobile App](#)

Administrative Services Proposal - FSA



WEX is exceptionally knowledgeable on benefits and COBRA... I highly recommend every company consider WEX when choosing an FSA or COBRA vendor.

– Janice D., client advocate

Ongoing employee education

We have a number of resources and tools to help employees achieve their goals in our Benefits Toolkit at wexinc.com/insights/benefits-toolkit, including:



Interactive eligible expenses list.



Knowledgebase of help articles and micro videos with more than 3 million views.



FSA calculator to help your employees see how an FSA helps them save money and increase their take-home pay.



Blog and podcast to help you and them learn the latest insight and news regarding their employee benefits.

Grace period reimbursement

WEX administers the 2 ½ month grace period extension by looking first to the prior year balance and if:

- Funds are available, we'll reimburse the participant from the prior year account.
- Partial funds are available, the claim will be split between the prior and current plan years.
- No funds are available, the claim will be reimbursed from the current plan year.
- The grace period is optional and can't be offered with a carryover.

Carryover reimbursement

WEX also administers the \$550 carryover provision by rolling any remaining funds into the next plan year after the run-out period for the previous plan year is complete. Claims that are submitted during the run-out period will be reimbursed from the carryover funds.

Participants who do not enroll in the next plan year, but have carryover funds available will be automatically enrolled with a zero dollar balance.

The carryover is also optional and can't be offered with a grace period.

Claims and substantiation

Claims

Our benefits debit card is the easiest way for participants to pay for and substantiate eligible FSA items and services. They may also pay out-of-pocket and request reimbursement by providing substantiation to prove the expense was eligible.

Claims can be submitted using:



**Benefits
mobile app**



Smart Scan



**Online
account**



Mail-in



Fax



Email

85%+

Average debit card transactions auto-substantiated through built-in card features and 95%+ with additional claim file integrations in place.

EOB Smart Scan

We make filing claims even easier with EOB smart scan, a feature within our mobile app that participants can use to scan an explanation of benefits (EOB) right from their mobile app and auto-fill expense details. This makes it easy for participants to substantiate eligible expenses, reimburse themselves, or directly pay a provider.

Substantiation

IRS regulations state FSA dollars may only be used for eligible healthcare 213(d) related expenses. To verify an expenses eligibility, the IRS requires substantiation from a third-party statement (e.g. EOB or itemized statement). WEX reviews 100 percent of FSA claims to protect the compliance of your plan and your participants' FSAs.

Larger merchants have an Inventory Information Approval System (IIAS) in place approving an eligible FSA item at the point of purchase without the need for additional documentation. IIAS will also deny ineligible FSA expenses, which will need to be paid using another form of payment.

Documentation must include the following:

- Date of service
- Type of service
- Name of item purchased
- Dollar amount of item or service
- Name of service provider or merchant
- Day care provider name and signature (if applicable)
- Prescription drug number (if applicable)

Administrative Services Proposal - FSA

When IAS is not available at the merchant, WEX auto-substantiates debit card transactions in the following manner:

- Copays entered into WEX's system that match the copay amount and provider at the point of sale.
- Recurring transactions matching both the provider and the exact dollar amount that have been previously approved.

Inbound carrier integrations

We offer file integrations to:

- Validate debit card transactions. Your carrier sends a claim file to WEX, allowing us to match the participant's debit card transactions to substantiate the claim. When there is a match, the debit card purchase is automatically substantiated. This file integration has increased auto-substantiation an additional 5 to 10 percent (on top of our 85% standard auto-substantiation rate), on average.
- Simplify claim filing. Your carrier sends a claim file that passes out-of-pocket participant expenses to WEX, automatically creating and substantiating claims in our platform. Claims can be automatically reimbursed to the participant through their preferred method or paid directly to the carrier.

Our claim notification process

Participant purchases sunscreen using their benefits debit card



WEX reviews the transaction if it wasn't automatically substantiated

An email and text (if they're enrolled in text alerts) notification is sent to the participant requesting substantiation



The participant receives the email and takes no action

Administrative Services Proposal - FSA

A second email notification is sent to the participant requesting substantiation



200 days after the original transaction, no substantiation is submitted



WEX issues a repayment request to the participant



The participant's benefits debit card is placed on temporary suspension



The participant snaps a photo of their receipt and files a claim via their benefits mobile app.



WEX reviews the documentation, approves the claim, and reactivates the participant's debit card.



Participants are sent multiple notifications over a 200-day period before a repayment request is sent and their debit card is suspended. If documentation is provided initially, but doesn't contain all of the required criteria, we provide the participant more time and flexibility to resubmit.

Recurring dependent care FSA claims

Your dependent care FSA participants can save time on their claims for recurring expenses like weekly daycare bills. The process is easy.

1. Submit a Recurring Dependent Care Expense Form at the start of the plan year.
2. Once approved, all future dependent care expenses that match the cost and provider will be approved.
3. Participants are reimbursed after the date of service has occurred.



Additional features and functionality

Funding

There are two options for FSA funding. Our most popular funding method is claims based funding.

Claim based funding:

There are two, daily ACH debits from your designated account based on the day prior's participant reimbursements. The debits are lump sum amount to cover your participant's:

-  Manual claims (including check and direct deposit)
-  Debit card transactions

An email notification and report are provided to you on a daily basis prior to the ACH.

Contribution based funding:

A reserve of funds is sent to WEX during implementation and held to ensure adequate funds are available to pay participant claims at the beginning of the plan year. Additional funds are sent (at your preferred frequency) based on employee contributions.



Pro Tip: Most employers opt to send funds each pay period to be added to their reserve.

Each time a participant swipes their card or submits a manual claim, WEX reviews the claim and reimburses the participant from the reserve. If pending claims exceed the reserve funds available, we will notify you and request additional funds. Reimbursement is held until additional funds are received.

Data integrations

You'll enjoy seamless sharing of data, which starts with our teams providing the information and support employers' and vendors' needs to build files that are efficiently shared. We're able to exchange data automatically to ensure enrollments and contributions are loaded fast and efficiently from payroll and your HR technology system. Here's how setup works:

- As early as possible during implementation, we discuss format options with our client.
- A test file is sent to WEX to ensure the file meets the software specifications. We'll test the file and let your third-party vendor know if there are any changes to the file.

Administrative Services Proposal - FSA

- Files are preferred in WEX's standard layout to ensure they are processed within 24 hours and that the data accuracy is maintained. Our layout was built based on experience working with the largest HR technology companies.
- If a third-party vendor submits the file, WEX provides a file format for all demographic, enrollment, and contribution information. The file is uploaded to a Secured File Transmission Protocol (SFTP) site, which is then automatically processed by our system. You will then receive an email confirming the process.

Non-discrimination testing

Your FSA is subject to non-discrimination compliance to ensure you're offering these plans fairly and not discriminating in favor of highly compensated or key employees. Our non-discrimination testing lets you ensure your entire cafeteria plan is in compliance. And, for one single rate, you can perform an unlimited number of tests.

Reporting

Reports are available through WEX's secure portals on demand. Based on employer preference, email notifications can also be provided once a report is generated. Below are a few of the top reports our clients leverage:

Employer Funding Report	Daily report that includes debits to your bank account for participant claim reimbursements and debit card transactions. Any applicable credits to your bank account will be shown.
Account Balance Detail Report	Monthly report that includes each participant's election, claims paid, deposits, and available balance.
Enrollment Report	Monthly report that includes regarding participants' annual elections, employer contributions (if applicable), and payroll contribution amounts.
Payment History Report	On-demand report that summarizes the amount WEX issued in checks, direct deposits, and debit card transactions (if applicable) for the previous month.

Administrative Services Proposal - FSA

Participants will also receive an email notification once the following reports have been posted to their online account.

- Monthly account statements
- Transaction-based claim reimbursement notifications (email only)
- Transaction based denial and repayment requests
- Receipt reminders for debit card transactions: Sent on day 1, 30, and 72 after transaction.

Frequently asked questions

Can WEX work with COBRA members on their FSA?

WEX will administer the FSA for COBRA members once notified by you or your third-party COBRA administrator that an individual has elected to continue their medical FSA under COBRA.

Will WEX reimburse FSA participants with paper checks?

Yes. However, a \$25 minimum reimbursement is required for a paper check to be sent to a participant.

How does WEX notify participants of denied FSA claims?

For all ineligible claims, a mailed letter, email, and text alert (if the participant has an email address on file and/or is enrolled in text alerts) is sent to the participant requesting additional information. Once correct information is received, the claim is reprocessed within two business days.

Is there an additional fee for inbound carrier integrations?

WEX can integrate with health carriers at no additional charge in WEX's preferred format. Please check with your carrier as fees may be assessed directly with them.

The WEX difference



Health Savings Account Administration

- WEX has the largest HSA data set with more than 7.5 million HSAs on our platform. We serve as custodian for more than 2.2 million HSAs with over \$4.5 billion assets under management.
- With features such as HSA Easy Move, HSA Advance, and the tools needed for any HSA participant to achieve financial success, we continue to invest in our technology to ensure a positive experience.
- Using personalized messaging, we take the educational burden off employers and help HSA users make informed decisions about how to use and benefit from their account, based on their age, income, account balance, contributions, portal usage, marital status, and more.
- With one debit card, one mobile app, and one online account to manage their HSA, participants get a simplified and personalized experience right from the start.

90%

of our clients chose us because they're looking for a better service experience for themselves and their employees.

Administrative Services Proposal - HSA

HSA employee experience



Mobile and online account

Once your employees enroll in benefits, they will have a consistent experience with one mobile app and online account for their HSA and any other benefits they have with us. Access includes:

80%

80% of our users preferred our benefits mobile app to the competition in a usability study

Feature	Mobile App	Online Account
Complete control over managing investments <i>(Including ability to update elections, complete fund-to-fund transfers, and make one-time transfers to and from cash and investment accounts)</i>	✓	✓
Contribute and request distributions <i>(Including options to pay the provider)</i>	✓	✓
Sign up for informational text alerts <i>(Claim confirmations, purchase alerts and balance notices)</i>	✓	✓
View account balances and account history	✓	✓
View and update profile information <i>(Includes dependents and beneficiaries. Availability varies based on your account setup and integrations with benefit administration systems.)</i>	✓	✓
View basic debit card information and report it lost or stolen <i>(which results in a new debit card being sent to participant)</i>	✓	✓
Update and add banking information for direct deposit	✓	✓
View YTD elections, contributions, and distributions	✓	✓

Administrative Services Proposal - HSA

Eligible expense scanner to determine the HSA eligibility of merchandise <i>(For use in stores such as Target, CVS, Walgreens, etc.)</i>	✓	N/A
Log in with Face ID or Touch ID	✓	N/A
Upload, store, and view receipts	✓	✓
Access to knowledgebase of articles, videos, and tutorials	✓	✓
Let's Chat; 24/7 chat bot to answer participant questions		✓
Review and download account statements and tax documents	✓	✓






We keep benefits quiet. Our proactive approach to service resulted in a decline in support inquiries despite a 23% growth in participants in 2020.

Benefits debit card

Your employees can count on the WEX benefits debit card for easy ability to spend their HSA funds.



-  Simply swipe our debit card at the point of purchase.
-  Use mobile payments by adding the benefits debit card to Apple, Google, or Samsung digital wallet.
-  The debit card includes all WEX benefits, so it will pull funds based on benefit eligibility.



Administrative Services Proposal - HSA

Educational resources and tools

The better employees understand their HSA, the more likely they are to engage with it, helping them (and you) save money.

Education is the key to success of these plans for the employer and participant, but education on benefits is not a “one size fits all”. We provide resources and support options for every participant. We collaborate with you on what solutions will resonate the most to drive employee engagement and ultimately build confidence in the benefits experience.

Text alerts, push notifications, and email notifications

Your employees can sign up for text alerts and email notifications to notify them of certain types of account activity, such as contributions posted, debit card purchase alerts, balance alerts, and more.

Ongoing employee education

We have a number of resources and tools to help employees achieve their goals in our Benefits Toolkit at wexinc.com/insights/benefits-toolkit, including:



Our knowledgebase of help articles and micro videos with more than 3 million views.



HSA and HDHP goal and savings calculators to help them choose the health plan that’s right for them and determine how much to contribute to an HSA.



Based on how they interact with their HSA, participants receive consistent, targeted, and meaningful messaging to help them use, understand, and optimize their HSA.



Our blog and podcast to help you and them learn the latest insight and news regarding their employee benefits.

Watch a quick technology teaser video or request a demo to see the full experience.



[Participant Portal – HSA Only](#)

[Participant Portal – Mobile App](#)

Administrative Services Proposal - HSA

An HSA for everyone

Our HSA is designed with every participant in mind. WEX tracks utilization in order to better engage participants through personalized messaging. Our data research led us to categorize HSA use into seven stages, which include a variety of spending, saving, and investing behavior. We've found that participants can move from one stage to another, based on their comfort level, where they are in the HSA lifecycle, and personalized messages delivered at the right time. Here's how we support each behavior:

Spenders and savers

- Expense tracking within their mobile app and online account to store receipts or update existing expenses.
- Eligible expense scanner in their mobile app to determine HSA eligibility by simply scanning the item's barcode in stores like Target, CVS, Walgreens, etc.
- HSA's cash account is FDIC-insured protecting participants' funds.
- Avoid card confusion with one debit card for their HSA and any other plans they have with us.
- Easy ability to request a distribution from their HSA with their mobile app or online account. Distribution can be by check or ACH.
- HSA calculators and other resources to help them see how much they can save and to learn more about the benefits of investing.
- Add their debit card to Apple Pay, Samsung Pay, or Google Pay for mobile payment of eligible expenses.

Investors

- Full investment management within their mobile app or online account.
- More than 8,500 mutual funds and other investment options to choose from with a health savings brokerage account through Charles Schwab.
- Low and adjustable investment threshold.
- Automated or manual transfer options from cash account to investment account based on the participant's needs and actions.
- HSA investment guidance tool to help them set and achieve goals.

Additional features & functionality

Data integrations

You'll enjoy seamless sharing of data between you, your vendors, and WEX, which starts with our teams providing the information and support employers and vendors need to build files that are efficiently transferred. We're able to exchange data automatically to ensure enrollments and contributions are loaded fast and efficiently from payroll and your HR technology system. Here's how setup works:

- As early as possible during implementation, a test file is sent to WEX to ensure the file meets the software specifications. We'll test the file and let your third-party vendor know if there are any changes to the file.
- Files are preferred in WEX's standard layout to ensure files are processed within 24 hours and that the data accuracy is maintained. Our layout was built based on experience working with the largest HR technology companies.
- If a third-party vendor submits the file, WEX provides a file format for all demographic, enrollment, and contribution information. The file is uploaded to a Secured File Transmission Protocol (SFTP) site, which is then automatically processed by our system. You will then receive an email confirming the process.

20K+

We have over 20,000 integrations in place today

350+

payroll, HRIS, and Benefits Administration partners

225+

insurance carrier partners

HSA Funding

You can depend on our proven system to reduce hassle with HSA funding. Here's how our contribution-based funding works:



A contribution file (integration or manual upload) is provided to WEX.



Contributions are pulled from the employer's bank account.



Funds are applied to the consumer's balance (within two business days of the contribution date on the file).

If you're looking for additional flexibility, we are able to post funds (employee or employer) on the contribution date, regardless of holidays or weekends.

Administrative Services Proposal - HSA

Auto-enroll HSA

The financial wellness of your employees can have a dramatic effect on your workplace. Participation in an HSA can help with just that, while providing you with savings on FICA taxes. Our Auto-Enroll HSA feature lets you enroll every employee that has elected to participate in your company's HSA-eligible high-deductible health plan (HDHP).

HSA Advance

Reduce risk of losing your employer contributions due to turnover and give your employees peace of mind by offering HSA Advance. This feature lets participants tap into their own future contributions before they've built their HSA balance. That way, should an opportunity to save on an HSA-eligible expense emerge unexpectedly, they can cover it. Your employees' future contributions automatically pay back the advance amount owed.

This safety net allows you to spread employer contributions out to a monthly or quarterly schedule versus a lump sum at the start of the plan year. Employees that terminate throughout the plan year would only have received a portion of their employer contribution (with access to HSA Advance dollars when they need it), reducing your risk.¹

Multiple, secure HSA transfer options

HSA Easy Move simplifies your ability to transfer your employees' HSAs to us. HSA Easy Move gives your employees the necessary transfer forms to move their funds to us. This reduces paperwork and helps them avoid additional fees by consolidating their HSAs to one account.

We also can support transfer of HSAs via an individual form or through a bulk transfer.



Individual form



Bulk transfer
(Multiple forms at once)



HSA easy move
(Online, multiple forms at once)

¹ Repayment of advances may be subject to state wage withholding and other applicable requirements. Employers should consult with their employee benefits advisors regarding specific terms for repayment of advances, including in the event of employment termination or loss of eligibility to participate in an HSA prior to full repayment.

Administrative Services Proposal - HSA

Identity verification process

Federal law requires us to obtain, verify, and record information that identifies each person who opens an HSA prior to them being able to access or spend their funds.

What we'll ask for?

Each HSA participant's name, street address, date of birth, social security number, and other information that will allow us to identify them.

How long will it take?

After a participant provides the information, the identification verification process will be completed in about two business days. More than 95% of participants pass the first time.

What are the verification steps?



Employee enrolls in HSA



HSA is in pending phase while participant's identity is verified



Identity is verified and HSA is available for use

Non-discrimination testing

Your HSA deductions and HSA-eligible HDHP could be subject to non-discrimination compliance to ensure you're offering these plans fairly and not discriminating in favor of highly compensated or key employees. Our non-discrimination testing lets you verify if your entire cafeteria plan is in compliance. And, for one single rate, you can perform an unlimited number of tests.



Implementation was a breeze and someone was always checking with us to ensure everything was going to our liking.

– Hazel T., client in finance/administration industry

Administrative Services Proposal - HSA

Reporting

Reports are available through WEX's secure portals on demand. Based on employer preference, email notifications can also be provided once a report is generated. Below are a few of the top reports our clients leverage:

HSA Plan Funding Collection Notification	Activity based report that includes the amount the employer will fund for participants' payroll and employer contributions. The report includes the transaction effective date and the last four digits of the bank account receiving the debit.
HSA Account Detail Report	Monthly report that provides the contribution detail for the given report range or year to date. The report indicates the participant and their contribution(s) for the report range or year to date.
HSA Account Detail Report Summary	Monthly report that provides aggregate contributions for prior and current tax year. Reports all participants for the report range or year to date.
HSA Employer Summary Report	Monthly report that provides aggregate monthly HSA statistics and balances. This report includes an average account balance, distributions, and contributions.
Open Ended HSA Imported Contribution Report	Displays a count of all the HSA contributions in the contribution file, number of contributions processed and any errors or warnings that occurred. This report will show total contribution records in a file minus any unrecognized records. If there are any unrecognizable records that were received on the file, this report will include these records as well.

Participants will also receive an email notification once the following reports have been posted to their online account.

- Monthly account statements
- Transaction-based distribution notification
- Annual tax documents

Administrative Services Proposal - HSA

Frequently Asked Questions

How often can participants request a distribution?

As often as they wish. Participants may also request to pay their provider directly from their online account. Requests are processed daily. For funds invested in a money market or mutual fund, it's two to five business days to process.

Is it free* for participants to:

Set up direct deposit?	Yes.
Order themselves, their spouse or a dependent (<i>18 or older</i>) a new or replacement debit card?	Yes.
Pay a bill via pay the provider?	Yes.
Request reimbursement or distribution via check or direct deposit?	Yes.
Transfer money from investment accounts to cash?	Yes.
Access investments?	Yes.
Set up a self-directed brokerage account through Charles Schwab?	Yes.
Rollover or transfer funds from a traditional or Roth IRA into an HSA?	Yes.
Receive electronic (email or text) notifications, statements or tax documents?	Yes.
Receive paper notifications, statements or tax documents?	Generally, Yes. We charge a fee for monthly HSA Summary Statement (current rate is \$1.50* per paper statement.)
Close their HSA?	No, we charge a fee of \$25.00* to close an account.

* WEX reserves the right to start or change fees at any time upon reasonable notice.

Administrative Services Proposal - HSA

Are HSA funds FDIC insured?

Yes. HSA funds in the cash account will be separately accounted for, credited to the HSA balance, and insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000, or the maximum limit allowable by law pursuant to FDIC insurance coverage rules.

Can HSA investors transfer funds from their cash account to mutual funds, or vice versa?

Yes. Mutual fund shares may be automatically sold to bring the cash account balance to the minimum threshold, if necessary. Participants may initiate mutual fund purchases each business day. A three-business-day settlement applies.

Is there a threshold participants have to meet in order to invest?

We have a low and customizable investment threshold that allows participants the flexibility to increase their threshold to their desired amount. Typically, this is their HDHP's deductible or out-of-pocket maximum.

How is participant data accepted?

We offer a variety of methods for receiving your demographic, enrollment, and/or contribution data.

These include:

- Leverage an existing, plug-and-play integration with one of our HR/benefit technology partners.
- Build a file integration with your HR/benefits administration platform or other third-party vendor. We can build a file integration with any HRIS/benefit admin/HCM/payroll vendor.
 - Employees enroll online through your third-party vendor.
 - WEX works directly with your vendor by providing a preferred format and a Secured File Transmission Protocol (SFTP) site.
 - After thorough testing, your vendor will upload the file directly to the SFTP site, automatically processing your data without manual intervention.
- Import an excel file in LEAP.
 - Download the WEX template from LEAP.
 - Populate the template with your enrollment information.
 - Upload in LEAP
- Key the data directly into LEAP.
 - Walk through an enrollment wizard and populate each participant's demographic and enrollment information one by one.

The WEX difference



Health reimbursement arrangement administration

- Our easy-to-use employer platform lets you view and update participant accounts, view reporting, and upload files in one place.
- Integrations with more than 350 payroll/HRIS/benefits administration partners and more than 225 insurance carriers removes manual processes to save you time.
- A responsive participant services team and on-demand resources to help your employees get more out of their HRAs and reduce questions about their plans.
- Email alerts and text notifications so your participants can stay up-to-date on their claim filing and any substantiation needs.
- With one debit card, one mobile app, and one online account to manage their HRA, participants get a simplified and personalized experience right from the start.

Administrative Services Proposal - HRA

Types of HRAs

We can accommodate different HRA plan design options and we welcome the opportunity to discuss with you the plan design that best fits your needs. HRA types include the following:

213-d HRAs

An HRA that allows participants to utilize their employer funded dollars for any 213(d) related expense. This HRA is offered with the WEX stackable debit card.

Deductible HRA

An HRA that allows participants to submit EOBs for reimbursement of their employer funded dollars. Eligible expenses include: Medical deductible, coinsurance, copay &/or prescriptions.

One Threshold HRA

An HRA that allows participants to submit EOBs for reimbursement of their employer funded dollars after a predetermined reimbursement threshold is defined. Eligible expenses include: medical deductible, coinsurance, copay &/or prescriptions.

Individual coverage HRA (ICHRA)

- Offered as a way to fund employees' individual health coverage that they purchase on their own rather than providing group health insurance.
- Can't be offered with group health insurance to the same class of employees.
- To be eligible, employees must be enrolled in individual health insurance or Medicare Parts A and B, or C coverage.
- Employees can't be covered by a healthcare sharing ministry plan or by a spouse's group health insurance to enroll.
- Employers may design the plan to reimburse premiums and 213(d) eligible expenses, or premiums only.

Excepted benefit HRA (EBHRA)

- Generally, it allows employers who offer a group health plan to set aside up to \$1,800 per year per employee. Employees are eligible for an EBHRA if they are offered a group health plan, even if they're not enrolled in it.

Administrative Services Proposal - HRA

- Money set aside is to reimburse employees for out-of-pocket medical expenses and premiums for excepted benefit coverage.
- Excepted benefit coverage can include dental coverage, vision coverage, COBRA premiums, and short-term limited duration insurance (but excluding individual health insurance premiums).

Qualified small employer HRA (QSEHRA)

- You provide tax-free funds to your employees to cover eligible expenses.
- Only available to you if you employ fewer than 50 people and meet certain criteria.
- Can't be offered if you also offer a group health plan.

For any HRA plan offerings deviating from the above, please reach out to your Sales contact.

Employee experience



Mobile and online account

Once your employees enroll in benefits, they will have a consistent experience with one mobile app and online account for their commuter benefits and any other benefits they have with us. Access includes:

Feature	Mobile App	Online Account
File a claim	✓	✓
Sign up for informational text alerts <i>(Claim confirmations, purchase alerts and balance notices)</i>	✓	
View and update profile information <i>(Includes dependents and beneficiaries. Availability varies based on your account setup and integrations with benefit administration systems.)</i>		✓
View basic debit card information and report it lost or stolen <i>(which results in a new debit card being sent to participant)</i>	✓	✓
View YTD contributions and claims	✓	✓
Update and add banking information for direct deposit	✓	✓
Eligible expense scanner to determine HRA eligibility of merchandise <i>(For use in stores such as Target, CVS, Walgreens, etc.)</i>	✓	✓
Log in with Face ID or Touch ID	✓	N/A

Administrative Services Proposal - HRA

Access to knowledgebase of articles, videos, and tutorials	✓	✓
Let's Chat 24/7 chat bot to answer		✓

Benefits debit card

WEX benefits debit cards are available for employers to provide their HRA participants when first-dollar coverage is provided and reimbursement is available for all Section 213(d) expenses. Our debit card may also be available for other HRA plan designs. However, additional plan information may be requested to ensure the debit card is a convenient option.

If you are eligible to provide a debit card with your HRA, your employees can count on the WEX benefits debit card for easy ability to spend their HRA funds.



- ✓ Simply swipe our debit card at the point of purchase.
- ✓ The debit card includes all WEX benefits, so it will pull funds based on benefit eligibility.
- ✓ Use mobile payments by adding the benefits debit card to Apple, Google, or Samsung digital wallet.

Administrative Services Proposal - HRA

Educational resources and tools

The better employees understand their HRA, the more likely they are to engage with it, helping them (and you) save money.

Education is the key to success of these plans for the employer and participant, but education on benefits is not a "one size fits all." We provide resources and support options for every participant. We collaborate with you on what solutions will resonate the most to drive employee engagement and ultimately build confidence in the benefits experience.

Text alerts, push notifications, and email notifications

Your employees can also sign up for text alerts and email notifications to notify them of certain types of account activity, such as debit card changes (mailed, purchase made, etc.), payments issued, claim statuses, and more.

Watch a quick technology teaser video or request a demo to see the full experience.



[Participant Portal – Multi Account](#)

[Participant Portal – Mobile App](#)

Ongoing employee education

We have a number of resources and tools to help employees achieve their goals in our Benefits Toolkit at wexinc.com/insights/benefits-toolkit, including:



Interactive eligible expenses list.



Knowledgebase of help articles and micro videos with more than 3 million views.



Blog and podcast to help you and them learn the latest insight and news regarding their employee benefits.

Claims and substantiation

Claims

Our benefits debit card is the easiest way for participants to pay for and substantiate eligible HRA items and services. They may also pay out-of-pocket and request reimbursement by providing substantiation to prove the expense was eligible. Claims can be submitted using:



**Benefits
mobile app**



Smart Scan



**Online
account**



Mail-in



Fax



Email

EOB Smart Scan

We make filing claims even easier with EOB smart scan, a feature within our mobile app that participants can use to scan an explanation of benefits (EOB) right from their mobile app and auto-fill expense details. This makes it easy for participants to substantiate eligible expenses, reimburse themselves, or directly pay a provider.

Substantiation

To verify an expense's eligibility, the IRS requires substantiation from a third-party statement (e.g. EOB or itemized statement). WEX reviews 100 percent of HRA claims to protect the compliance of your plan and your participants' HRAs.

Our capabilities

Inbound carrier integrations

We offer file integrations to:

- Validate debit card transactions. Your carrier sends a claim file to WEX, allowing us to match the participant's debit card transactions to substantiate the claim. When there is a match, the debit card purchase is automatically substantiated. This file integration has increased auto-substantiation an additional 5 to 10 percent (on top of our 85% standard auto-substantiation rate), on average.
- Simplify claim filing. Your carrier sends a claim file that passes out-of-pocket participant expenses to WEX, automatically creating and substantiating claims in our platform. Claims can be automatically reimbursed to the participant through their preferred method or paid directly to the carrier.

Administrative Services Proposal - HRA

Data integrations

You'll enjoy seamless sharing of data, which starts with our teams providing the information and support employers' and vendors' needs to build files that are efficiently shared. We're able to exchange data automatically to ensure enrollments and contributions are loaded fast and efficiently from payroll and your HR technology system. Here's how setup works:

- As early as possible during implementation, we discuss format options with our client.
- A test file is sent to WEX to ensure the file meets the software specifications. We'll test the file and let your third-party vendor know if there are any changes to the file.
- Files are preferred in WEX's standard layout to ensure they are processed within 24 hours and that the data accuracy is maintained. Our layout was built based on experience working with the largest HR technology companies.
- If a third-party vendor submits the file, WEX provides a file format for all demographic, enrollment, and contribution information. The file is uploaded to a Secured File Transmission Protocol (SFTP) site, which is then automatically processed by our system. You will then receive an email confirming the process.

Additional features and functionality

Funding

There are two options for HRA funding. Our most popular funding method is claims based funding.

Claim based funding:

There are two, daily ACH debits from your designated account based on the day prior's participant reimbursements. The debits are lump sum amount to cover your participant's:

- Manual claims (including check and direct deposit)
- Debit card transactions

An email notification and report are provided to you on a daily basis prior to the ACH.

Contribution based funding:

A reserve of funds is sent to WEX during implementation and held to ensure adequate funds are available to pay participant claims at the beginning of the plan year. Additional funds are sent (at your preferred frequency) based on employee contributions.

Administrative Services Proposal - HRA



Pro Tip: Most employers opt to send funds each pay period to be added to their reserve.

Each time a participant swipes their card or submits a manual claim, WEX reviews the claim and reimburses the participant from the reserve. If pending claims exceed the reserve funds available, we will notify you and request additional funds. Reimbursement is held until additional funds are received.

Non-discrimination testing

Your HRA is subject to non-discrimination compliance to ensure you're offering these plans fairly and not discriminating in favor of highly compensated or key employees. Our non-discrimination testing lets you ensure your entire cafeteria plan is in compliance. And, for one single rate, you can perform an unlimited number of tests.

Reporting

Reports are available through WEX's secure portals on demand. Based on employer preference, email notifications can also be provided once a report is generated. Below are a few of the top reports our clients leverage:

Employer Funding Report	Summarizes debits to your bank account for participant claim reimbursements and debit card transactions. Any applicable credits to your bank account will also be shown. This report is generated daily, regardless of activity. You'll receive a daily email to notify you that the report has been generated and is available on the employer portal.
Account Balance Detail Report	Encompasses each participant's election, claims paid, deposits and available balance. This report is available the first of each month and on demand.
Enrollment Report	Includes data regarding participants' annual elections, employer contributions (if applicable) and payroll contribution amounts. This report is available the first of each month and on demand.
Payment History Report	Summarizes the amount WEX issued in checks, direct deposits and debit card transactions (if applicable) for the previous month. This report is available on demand.

Administrative Services Proposal - HRA

Summary of benefits and coverage requirements

WEX will provide the Summary of Benefits and Coverage (SBC) at no cost to meet requirements under the Affordable Care Act (ACA). The employer is required to distribute the SBC in accordance with ACA standards.

Medicare secondary reporting requirements

Third-party administrators are required to report to the Centers for Medicare and Medicaid Services (CMS) certain data for all active covered individuals, defined as employees, spouses, and dependents who are eligible to receive benefit reimbursement from the HRA. The information required by CMS includes the names of employees, their spouses and dependents, their Social Security Numbers (SSNs) or Health Insurance Claim Numbers (HICNs), dates of birth and gender for any Medicare beneficiary who meets the criteria below:

- Individuals age 65 and older who are covered based on their or their spouse's current employment status
- Individuals age 45 through 64 who are covered based on their or a family member's current employment status
- Individuals who are under 45, known to be entitled to Medicare, and covered based on their own or family member's current employment status
- Individuals who have been receiving kidney dialysis or who have received a kidney transplant, regardless of current employment status.

The information provided does not need to report on children, unless they are known to be eligible for Medicare or have kidney disease. Employers do not need to report individuals who are not covered based on current employment status, such as retirees and COBRA beneficiaries.

In order to meet the CMS requirement, WEX will require all employers sponsoring an HRA to collect from employees the necessary information and provide that information to WEX in an electronic file on a quarterly basis. A copy of the required CMS file layout containing the necessary data elements for providing information to WEX will be provided during implementation.

The WEX difference



Commuter benefits administration

- Mobile payments available for Apple Pay, Google Pay, and Samsung Pay.
- In Atlanta, Chicago, San Francisco, and Washington D.C., participants can use our Smart Commute program to directly load funds onto their transit authority's smart card.
- Easy-to-use employer platform lets you view and update participant accounts, view reporting, and upload files in one place.
- Integrations with more than 350 payroll/HRIS/benefits administration partners to remove manual processes and save you time.
- A responsive participant services team and helpful on-demand resources to reduce participant questions.
- Email alerts and text notifications so your participants can stay up-to-date on their commuter benefits.
- With one debit card, one online account, and one mobile app to manage their commuter benefits, participants get a simplified and personalized experience right from the start.

Administrative Services Proposal - Commuter Benefits

Transit and vanpooling

Whether your participants take the train, bus, subway, ferries, UberPOOL, Lyft Shared, or a combination of these transit options to get to work, these costs are eligible commuter benefits expenses when they're traveling to and from work.

Parking

If your participants commute with their own vehicles, they can take advantage of their commuter benefits by using them to pay for parking at or near their regular place of employment, use SpotHero (or any of their favorite parking apps!) to reserve or pre-pay parking spots in select cities, or take advantage of park-and-ride facilities (if available).

Commuter benefits employee experience



Mobile and online account

Once your employees enroll in benefits, they will have a consistent experience with one mobile app and online account for their commuter benefits and any other benefits they have with us. Access includes:

Feature	Mobile App	Online Account
Sign up for informational text alerts <i>(Claim confirmations, purchase alerts, Smart Commute notifications and more.)</i>	✓	✓
View account balances and account history	✓	✓
View and update profile information <i>(Availability varies based on your account setup and integrations with benefit administration systems.)</i>		✓

Administrative Services Proposal - Commuter Benefits

Order additional debit cards or report lost/stolen	✓	✓
View and update monthly elections, contributions, and view reimbursements		✓
Submit Smart Commute orders		✓
Log in with Face ID or Touch ID	✓	N/A
Access to knowledgebase of articles, videos, and tutorials	✓	✓
Let's Chat 24/7 chat bot to answer		✓
File a claim	✓	✓

Educational resources and tools

The better employees understand their commuter benefits, the more likely they are to engage with it, helping them (and you) save money.

Education is the key to success of these plans for the employer and participant, but education on benefits is not a "one size fits all". We provide resources and support options for every participant. We collaborate with you on what solutions will resonate the most to drive employee engagement and ultimately build confidence in the benefits experience.

One resource is our My Commute Planner which is a decision-making support tool that helps employees customize their commute to/from work and understand how they can use their commuter benefit dollars.

Watch a quick technology teaser video or request a demo to see the full experience.



[Participant Portal – Multi Account](#)

[Participant Portal – Mobile App](#)

Administrative Services Proposal - Commuter Benefits

Text alerts, push notifications, and email notifications

Your employees can also sign up for text alerts and email notifications to notify them of certain types of account activity, payments issued, and Smart Commute order confirmations.

Ongoing employee education

We have a number of resources and tools to help employees achieve their goals in our Benefits Toolkit at wexinc.com/insights/benefits-toolkit, including:



Interactive eligible expenses list.



Knowledgebase of help articles and micro videos with more than 3 million views.



Blog and podcast to help you and them learn the latest insight and news regarding their employee benefits.

Claims approach and payment solutions

Stackable debit card

Your employees can count on the WEX benefits debit card for easy ability to spend funds for any of their plans with WEX.



Participants simply swipe our debit card at the point of purchase, including transit authorities, parking garages, and more







The debit card includes all WEX benefits. It will pull funds from the applicable plan based on the purchase.

Administrative Services Proposal - Commuter Benefits

Smart Commute

Participants can take advantage of our WEX benefits debit card in all cities across the United States. With Smart Commute, participants in select cities can directly load their commuter benefits funds onto their transit authority's smart card (or similar account-based technology provided by the transit authority).

Smart Commute is available to our participants in the following cities:

-  **ATLANTA**
-  **CHICAGO**
-  **SAN FRANCISCO**
-  **WASHINGTON, D.C.**

Mobile payments

Participants can use mobile payments by adding the benefits debit card to their Apple, Google, or Samsung digital wallets. Once a participant has added the benefits debit card to their digital wallet, paying for eligible expenses is easy. When their benefits debit card is set as their default card within Apple Pay, Google Pay, or Samsung Pay, then they can simply place the back of their phone near the contactless payment reader at eligible merchants.

If their benefits debit card is not their default payment, then they'll need to have their digital wallet app open at the point of sale. With their benefits debit card open within the digital wallet, they can place the back of your phone over the contactless payment reader. The benefits debit card will recognize which expenses are eligible and only pay for these expenses (just like when using a physical debit card).

Claim submission and reimbursement

Participants can submit parking and vanpooling claims to us through their online account and mobile app. Claims are processed within one business day. Reimbursement is issued the following day. No documentation is needed for parking or vanpooling claims.

Additional features

Online enrollment/mid-year changes

We offer flexible ways for participant enrollment or mid-year contribution changes for commuter benefits, including:



- Online enrollment through its enrollment system
- Enrollment file imports through LEAP (our secure employer/consultant portal)
- Third-party file import (when employees enroll online through a third-party system)
- Submission directly through LEAP

Funding

There are two options for commuter funding. Our most popular funding method is claims based funding.

Claim based funding:

There are two, daily ACH debits from your designated account based on the day prior's participant reimbursements. The debits are lump sum amount to cover your participant's:

-  Manual claims (including check and direct deposit)
-  Debit card transactions

An email notification and report are provided to you on a daily basis prior to the ACH.

Contribution based funding:

A reserve of funds is sent to WEX during implementation and held to ensure adequate funds are available to pay participant claims at the beginning of the plan year. Additional funds are sent (at your preferred frequency) based on employee contributions.



Pro Tip: Most employers opt to send funds each pay period to be added to their reserve.

Administrative Services Proposal - Commuter Benefits

Each time a participant swipes their card or submits a manual claim, WEX reviews the claim and reimburses the participant from the reserve. If pending claims exceed the reserve funds available, we will notify you and request additional funds. Reimbursement is held until additional funds are received.

Reporting

Reports are available through WEX's secure portals on demand. Based on employer preference, email notifications can also be provided once a report is generated.

Employer Funding Report	Daily report that includes debits to your bank account for participant claim reimbursements and debit card transactions. Any applicable credits to your bank account will be shown.
Account Balance Detail Report	Monthly report that includes each participant's election, claims paid, deposits, and available balance.
Enrollment Report	Monthly report that includes regarding participants' annual elections, employer contributions (if applicable), and payroll contribution amounts.
Payment History Report	On-demand report that summarizes the amount WEX issued in checks, direct deposits, and debit card transactions (if applicable) for the previous month.

Participants will also receive an email notification once the following reports have been posted to their online account.

- Monthly account statements
- Transaction-based claim reimbursement notifications (email only)
- Transaction based denial and repayment requests
- Receipt reminders for debit card transactions: Sent on day 1, 30, and 72 after transaction.

Administrative Services Proposal - Commuter Benefits

Participant reports:

- Account statements: Monthly
- Claims reimbursement notifications: Transaction based (email only)
- Denial and repayment requests: Transaction based

File formatting and testing

We prefer files in our standard layout. This ensures:



Smooth setup, renewal,
and ongoing administration.



Information contained in
the file is accurately and
effectively communicated.



The file is uploaded through
LEAP and processed within
24 hours.

Once the file is processed, you'll be provided a results report. You can make any corrections directly through LEAP. If a third-party vendor provides the files, we will provide a pipe-delimited file format for all demographic, enrollment, and contribution information. The file is uploaded to a Secured File Transmission Protocol (SFTP) site, which is then automatically processed in our system without manual intervention. You'll then receive an email confirmation.

The WEX difference



Lifestyle spending account administration

- Our in-the-box solution makes it easy to set up a lifestyle spending account (LSA).
- Customizable LSA plan designs and eligible.
- Build an LSA that supports wellness needs for all employees (not just the athletes).
- No matter the employer size, you have flexibility in how much you contribute to their LSA.

Considerations when creating your LSA

Questions you need to answer	Food for thought
How much money will you contribute?	The average WEX client contributes \$750 to an LSA each year.
When will employees receive their funds?	Most plan designs make all funds available at the start of the plan year. You have flexible options, including monthly, quarterly, and annually.
Which employees are eligible?	You can determine eligibility for different groups of employees.
What expenses are eligible?	Eligible expenses typically include physical, financial, and emotional wellness expenses. You can easily customize eligible expenses in LEAP.
Will you require claims to be substantiated?	A majority of our clients require substantiation for LSA claims to ensure funds are used for the expenses you deem eligible.
What happens to funds at the end of your plan year or when an employee terminates?	You can determine if your LSA is a use-or-lose account or if funds roll over.

In-the-box solution

Use WEX's eligible expense list out of the box, or simply as a starting point to customize your own plan. Eligible expenses for our solution include:

Administrative Services Proposal - LSA

PHYSICAL WELLNESS

- Athletic equipment and accessories
- Exercise equipment
- Gym, health club, spa and fitness studio memberships
- Rock climbing, martial arts and tennis expenses
- Fitness classes (yoga, Pilates, dance, etc.)
- Lessons (golf, swimming, tennis, etc.)
- Personal trainer
- Fitness trackers
- Entry fees (marathons, leagues, etc.)
- Passes (ski, snowboard, golf, swimming, etc.)

FINANCIAL WELLNESS

- Student loan reimbursement
- Home purchase expense reimbursement (down payment, closing costs, etc.)
- Financial adviser and planning services
- Financial seminars and classes
- Identity theft services
- Pet Insurance Premiums

EMOTIONAL WELLNESS

- Meditation classes
- Non-medical counseling (marital, parental, etc.)
- Retreats (leadership, spiritual, etc.)
- Pet care (walkers, day care, grooming, etc.)
- Camping (equipment fees, etc.)
- Personal development classes (art, cooking, etc.)
- Annual park passes

Most common eligible participant expenses:

APPAREL

GYM MEMBERSHIPS

WORKOUT EQUIPMENT

APPS/ACTIVITY TRACKERS

WATCHES

Administrative Services Proposal - LSA

Employee experience

Once your employees enroll in benefits, they will have a consistent experience with one mobile app and online account for their LSAs and any other benefits they have with us. Access includes:

Watch a quick technology teaser video or request a demo to see the full experience.

[!\[\]\(0f848bbd71cef6b345273b16f905912a_img.jpg\) Participant Portal – Multi Account](#)

[!\[\]\(339a16584d5da0f0a3ca4e9ec17bf6a1_img.jpg\) Participant Portal – Mobile App](#)

Feature	Mobile App	Online Account
File a claim	✓	✓
Upload, store, and view documentation	✓	✓
Sign up for informational text alerts <i>(Claim confirmations, purchase alerts and balance notices)</i>	✓	✓
View account balances and account history	✓	✓
View and update profile information <i>(Includes dependents and beneficiaries. Availability varies based on your account setup and integrations with benefit administration systems.)</i>		✓
Update and add banking information for direct deposit	✓	✓
Log in with Face ID or Touch ID	✓	N/A
Access to knowledgebase of articles, videos, and tutorials	✓	✓
Let's Chat 24/7 chat bot to answer		✓

Administrative Services Proposal - LSA

Text alerts and email notifications

Your employees can also sign up for text alerts and email notifications to notify them of certain types of account activity, payments issued, claim statuses, and more.

Claims and substantiation

Claims

If you choose to require substantiation for your LSA, participants can file a claim through a variety of options. They pay out-of-pocket and request reimbursement by providing substantiation to prove the expense was eligible. Claims can be submitted using:



**Benefits mobile
app**



Online account



Mail-in



Fax



Email

Our claim notification process

- Participant purchases a fitness tracker (which you have determined is an LSA eligible expense).
- Participant submits the claim and supporting documentation.
- WEX reviews the claim.
- If additional documentation is needed, an email is sent to the participant.
- The participant snaps a photo of their receipt and applies it to the claim via their benefits mobile app.
- WEX reviews the documentation and approves the claim.

Participants are sent multiple notifications over a 200-day period before a repayment request is sent. If documentation is provided, but doesn't contain all of the required criteria, we provide the participant more time and flexibility to resubmit.

Additional features and functionality

Funding

There are two options for LSA funding. Our most popular funding method is claims based funding.

Administrative Services Proposal - LSA

Claim based funding:

There is a daily ACH debit from your designated account based on the day prior's participant reimbursements. The debits are lump sum amount to cover your participant's claims.

An email notification and report are provided to you on a daily basis prior to the ACH.

Contribution based funding:

A reserve of funds is sent to WEX during implementation and held to ensure adequate funds are available to pay participant claims at the beginning of the plan year. Additional funds are sent (at your preferred frequency) based on employee contributions. Most employers opt to send funds each pay period to be added to their reserve.

Each time a participant submits a manual claim, WEX reviews the claim and reimburses the participant from the reserve. If pending claims exceed the reserve funds available, we will notify you and request additional funds. Reimbursement is held until additional funds are received.

Reporting

Reports are available through WEX's secure portals on demand. Based on employer preference, email notifications can also be provided once a report is generated. Below are a few of the top reports our clients leverage:

Employer Funding Report	Daily report that includes debits to your bank account for participant claim reimbursements. Any applicable credits to your bank account will be shown.
Account Balance Detail Report	Monthly report that includes each participant's election, claims paid, deposits, and available balance.
Enrollment Report	Monthly report that includes regarding participants' annual elections, employer contributions (if applicable), and payroll contribution amounts.
Payment History Report	On-demand report that summarizes the amount WEX issued in checks, direct deposits, and debit card transactions (if applicable) for the previous month.

Participants will also receive an email notification once the following reports have been posted to their online account.

Administrative Services Proposal - LSA

- Monthly account statements
- Transaction-based claim reimbursement notifications (email only)
- Transaction based denial and repayment requests



The WEX difference



Voluntary Employees' Beneficiary Association plan (VEBA) administration

- Our easy-to-use employer portal for all benefits and COBRA offered with WEX
- No investment threshold – meaning participants can invest from day one.
- High quality participant investing options, including the Lincoln Stable Value Fund that offers a guaranteed rate of return even when the market fluctuates.
- With one debit card, one mobile app, and one online account to manage their VEBA-funded account, participants get a simplified and personalized experience right from the start.

Administrative Services Proposal - VEBA

VEBA employee experience



Mobile and online account

Once your employees enroll in benefits, they will have a consistent experience with one mobile app and online account for their VEBA and any other benefits they have with us. Access includes:

Feature	Mobile App	Online Account
File a claim	✓	✓
Sign up for informational text alerts <i>(Claim confirmations, purchase alerts and balance notices)</i>	✓	✓
View and update profile information <i>(Includes dependents and beneficiaries. Availability varies based on your account setup and integrations with benefit administration systems.)</i>		✓
View basic debit card information and report it lost or stolen <i>(which results in a new debit card being sent to participant)</i>	✓	✓
View YTD contributions and claims	✓	✓
Update and add banking information for direct deposit	✓	✓
Eligible expense scanner to determine eligibility of merchandise <i>(For use in stores such as Target, CVS, Walgreens, etc.)</i>	✓	N/A
Log in with Face ID or Touch ID	✓	N/A



Administrative Services Proposal - VEBA

Access to knowledgebase of articles, videos, and tutorials	✓	✓
Let's Chat 24/7 chat bot to answer participant questions		✓
Single sign on into trustee investment portal to manage and direct VEBA investments		✓
Review and download account statements and tax documents	✓	✓

Benefits debit card

Your employees can count on the WEX benefits debit card for easy ability to spend their VEBA funds.



Simply swipe our debit card at the point of purchase.



The debit card includes all WEX benefits, so it will pull funds based on benefit eligibility.



Use mobile payments by adding the benefits debit card to Apple, Google, or Samsung digital wallet.

Educational resources and tools

The better employees understand their VEBA-funded account, the more likely they are to engage with it, helping them (and you) save money.

Text alerts, push notifications, and email notifications

Your employees can also sign up for text alerts and email notifications to notify them of certain types of account activity, such as debit card changes (mailed, purchase made, etc.), payments issued, claim statuses, and more.

Administrative Services Proposal - VEBA

A VEBA for everyone

Our VEBA solution is designed with every participant in mind.

Spending and saving

- Expense tracking within their mobile app and online account to store receipts or update existing expenses.
- Eligible expense scanner in their mobile app to determine product reimbursement by simply scanning the item's barcode in stores like Target, CVS, Walgreens, etc.
- Avoid card confusion with one debit card for their VEBA and any other plans they have with us.
- Easy ability to request a distribution from their VEBA with their mobile app or online account. Distribution can be by check or ACH.
- Add their debit card to Apple Pay, Samsung Pay, or Google Pay for mobile payment of eligible expenses.

Investing

- Single sign on into the trustee's investment portal.
 - Manage and direct VEBA investments
 - Rebalance investments
 - Obtain rate of return on investments
- First dollar investments, meaning no minimum cash threshold
- Daily valuation and trading of investments
- Automated investment liquidation when funds are spent on medical expenses.

Claims and substantiation

Claims

Our benefits debit card is the easiest way for participants to pay for and substantiate eligible VEBA items and services. They may also pay out-of-pocket and request reimbursement by providing substantiation to prove the expense was eligible. Claims can be submitted using:

Administrative Services Proposal - VEBA



**Benefits
mobile app**



Smart Scan



**Online
account**



Mail-in



Fax



Email

EOB Smart Scan

We make filing claims even easier with EOB smart scan, a feature within our mobile app that participants can use to scan an explanation of benefits (EOB) right from their mobile app and auto-fill expense details. This makes it easy for participants to substantiate eligible expenses, reimburse themselves, or directly pay a provider.

Substantiation

To verify an expense's eligibility, the IRS requires substantiation from a third-party statement (e.g. EOB or itemized statement). WEX reviews 100 percent of VEBA claims to protect the compliance of your plan and your participants' VEBA.

Our capabilities

Inbound carrier integrations

We offer file integrations to:

- Validate debit card transactions. Your carrier sends a claim file to WEX, allowing us to match the participant's debit card transactions to substantiate the claim. When there is a match, the debit card purchase is automatically substantiated. This file integration has increased auto-substantiation an additional 5 to 10 percent (on top of our 85% standard auto-substantiation rate), on average.
- Simplify claim filing. Your carrier sends a claim file that passes out-of-pocket participant expenses to WEX, automatically creating and substantiating claims in our platform. Claims can be automatically reimbursed to the participant through their preferred method or paid directly to the carrier.

Data integrations

You'll enjoy seamless sharing of data, which starts with our teams providing the information and support employers' and vendors' needs to build files that are efficiently shared. We'll work alongside you and our trusted partner, BPAS, to help ensure data is loaded.

Additional features and functionality

Funding

VEBAs are 100 percent employer-funded. The funds are held by the trustee. Each time a participant swipes their card or submits a manual claim, WEX reviews the claim, receives funds from the trustee and funds the debit card purchase or reimburses the participant.

Non-discrimination testing

Your VEBA is subject to non-discrimination compliance to ensure you're offering these plans fairly and not discriminating in favor of highly compensated or key employees. Our non-discrimination testing lets you ensure your entire VEBA HRA is in compliance. And, for one single rate, you can perform an unlimited number of tests.

Reporting

Reports are available through WEX's secure portals on demand. Based on employer preference, email notifications can also be provided once a report is generated. Below are a few of the top reports our clients leverage:

Employer Funding Report	Daily report that includes debits to your bank account for participant claim reimbursements and debit card transactions. Any applicable credits to your bank account will be shown.
Account Balance Detail Report	Monthly report that includes each participant's election, claims paid, deposits, and available balance.
Enrollment Report	Monthly report that includes regarding participants' annual elections, employer contributions (if applicable), and payroll contribution amounts.
Payment History Report	On-demand report that summarizes the amount WEX issued in checks, direct deposits, and debit card transactions (if applicable) for the previous month.



Administrative Services Proposal - VEBA

Participant Investment Grid	List of all participants' total and vested balance, a breakdown of balance held in each fund by dollar amount, and percentage to total balance.
Contribution By Source	Comprehensive report of contributions made by participant, by source in the current and prior plan year.
Contribution Posting History	Snapshot of total contributions made to the plan in current year by payroll/submission date.

Summary of benefits and coverage requirements

WEX will provide the Summary of Benefits and Coverage (SBC) at no cost to meet requirements under the Affordable Care Act (ACA). The employer is required to distribute the SBC in accordance with ACA standards.

Medicare secondary reporting requirements

(if applicable based on your VEBA plan design)

Third-party administrators are required to report to the Centers for Medicare and Medicaid Services (CMS) certain data for all active covered individuals, defined as employees, spouses, and dependents who are eligible to receive benefit reimbursement from the VEBA while actively employed.

The information required by CMS includes the names of employees, their spouses and dependents, their Social Security Numbers (SSNs) or Health Insurance Claim Numbers (HICNs), dates of birth and gender for any Medicare beneficiary who meets the criteria below:

- Individuals age 65 and older who are covered based on their or their spouse's current employment status
- Individuals age 45 through 64 who are covered based on their or a family member's current employment status
- Individuals who are under 45, known to be entitled to Medicare, and covered based on their own or family member's current employment status

Administrative Services Proposal - VEBA



Individuals who have been receiving kidney dialysis or who have received a kidney transplant, regardless of current employment status.

The information provided does not need to report on children, unless they are known to be eligible for Medicare or have kidney disease. Employers do not need to report individuals who are not covered based on current employment status, such as retirees and COBRA beneficiaries.

In order to meet the CMS requirement, WEX will require all employers sponsoring a VEBA to collect from employees the necessary information and provide that information to WEX in an electronic file on a quarterly basis. A copy of the required CMS file layout containing the necessary data elements for providing information to WEX will be provided during implementation.



The WEX difference



COBRA Administration

- We have more than 330 different carrier integrations using an EDI 834 file to update carriers automatically.
- We take on the responsibility of sending required notices, such as General Rights Notices and Specific Rights Notices.
- Our automation capabilities help keep you compliant with COBRA's rules and regulations.
- You can count on our customer support and resources to answer any of your COBRA members' questions.
- We have flexible options for members to submit premium payments and offer an innovative COBRA mobile app for them to elect and submit payments.

Administrative Services Proposal - COBRA

What we take off your plate

The administrative burden of meeting COBRA's many rules and regulations can be time consuming. When you choose WEX, we take much of that burden off your plate in the following ways:

21,000

Each month, we send and receive nearly 21,000 total COBRA files

General Rights Notices

A general rights notice (GRN) must be sent to any new plan members within 90 days of when group health plan coverage first begins. We mail GRNs on your behalf and copies will be available in LEAP and your COBRA members' online accounts.

Education is the key to success of these plans for the employer and participant, but education on benefits is not a "one size fits all". We provide resources and support options for every participant. We collaborate with you on what solutions will resonate the most to drive employee engagement and ultimately build confidence in the benefits experience.

Specific Rights Notices

A specific rights notice (SRN) outlining COBRA rights and obligations must be provided to all qualified beneficiaries within 14 days of receiving notice of a qualifying event. The SRN includes the qualified beneficiaries' election forms. We mail SRNs on your behalf and copies will be available in LEAP and your COBRA members' online accounts.

Print and mail fulfillment

When a qualifying event is submitted to us in LEAP, our automation kicks in. COBRA election paperwork is mailed the following business day. Qualifying events submitted via electronic file (through the SFTP site) are processed within 48 hours.

Please note: WEX does not assume responsibility for sending COBRA election paperwork for qualifying events that occur prior to the employer's effective date of our COBRA administration or for qualifying events submitted with incomplete information.

Premium payments

WEX collects COBRA payments and ensures members submit payment within the required 45-day grace period. When a partial payment is made, we communicate with the COBRA member advising them of next steps they need to take to maintain active coverage.

Administrative Services Proposal - COBRA

WEX also remits premium payments to the employer via ACH deposit or monthly check.

Carrier communications

We notify the carrier(s) when we receive COBRA premium payments from members and when a member's COBRA is terminated. Our teams are always innovating to find new ways to expand this capability while helping employees stay compliant and preserve data accuracy via data integrations with carriers.

Open enrollment and plan change notices

WEX sends standard open enrollment letters, plan change notices, and generic carrier enrollment forms to COBRA members at no additional cost. WEX also collects enrollment forms and forwards them to the carrier for processing. We also provide additional open enrollment materials to COBRA members through messages in their online account.

If you request we send additional open enrollment materials to COBRA members, they can be mailed at a cost of \$1.50 per duplex page, with a 25-page maximum.

25+

We have more than 25 years of experience administering COBRA and navigating its many rules and regulations.

Member questions

When your COBRA members have questions, we have answers. Your COBRA members can contact our participant services team between 6 a.m. and 9 p.m. Central time Monday through Friday. They can also find answers to questions anytime in our knowledgebase of help articles through their online account or on our website at <https://www.wexinc.com/insights/benefits-toolkit/>.



Any client I have that is frustrated with their COBRA vendor (lack of customer service or no access to reports or information), I am able to move to WEX to solve those issues. ...Better reporting, better communication, better technology.

– Carrie A., benefits consultant

COBRA employee experience



Mobile and online account

Once your qualified beneficiaries elect COBRA, they enjoy a consistent experience through our mobile app and online account. Access to our app and online account includes:

Watch a quick technology teaser video or request a demo to see the full experience.

[▶ COBRA Direct Bill: Participant Portal](#)

[▶ COBRA Direct Bill: Mobile App](#)

Feature	Mobile App	Online Account
Elect COBRA	✓	✓
Submit a one-time premium payment	✓	✓
Set up recurring payments (via ACH or by providing a credit/debit card. A separate processing fee charged and retained by the payment processor is applied to each payment made online via credit/debit card.)	✓	✓
Real-time payment tracking	✓	✓
View and update profile information	✓	✓
Access to knowledgebase of articles, videos and tutorials	✓	✓
Let's Chat 24/7 chat bot to answer member questions	✓	✓

Administrative Services Proposal - COBRA

Payment options

We accept the following premium payment methods:



One-time ACH



Recurring ACH



Credit or debit card



Check

Enrollment

With their COBRA election materials, each qualified beneficiary receives a registration code and instructions for using our COBRA mobile app and their online account. They may use the app or online account to elect COBRA or make premium payments. They can also submit payments to us via fax or mail.



The (American Rescue Plan Act) ARPA was a big issue that most carriers wouldn't help with (since the COBRA went back so far that old carriers would have been involved). WEX stepped up and walked us through getting it all done with a solution laid out nicely!

– Kate E., consultant

Additional features

Premium remittance

Premiums can also be remitted to the carrier(s) when:

- The group is fully insured.
- Benefits end at the end of the month.
- A group agrees to sign up for ACH.

Administrative Services Proposal - COBRA

Carrier notifications

We have COBRA integrations in place to simplify the process of notifying carriers of updates to COBRA coverage and eligibility. We communicate with carriers through EDI 834 files or by email and fax.

Our COBRA carrier operations team specializes in serving as our main point of contact for insurance carriers to update and confirm COBRA eligibility for qualified beneficiaries.

Reporting

Real-time, online reporting is available through the employer portal, including reports on:

- Member status
- Carrier notifications (pending and processed)
- Proof of mail
- Plan rate renewal
- Paid through report
- Generated letters report (summary and detail)
- Members without plans
- QB plan members
- Subsidy schedule
- Remittance reports
- Member by Postal Code
- New Plan Member report
- QB Summary report
- SPM Summary report

\$150

On average, a single person saves \$150 per month

\$675

And a family saves \$675 per month with coverage through our marketplace rather than COBRA.

40%

Decrease in COBRA enrollments since the launch of individual marketplace.

Marketplace

Our marketplace is available to our COBRA clients as a way to provide their qualified beneficiaries with an alternative to COBRA. Qualified beneficiaries can then shop for potentially cheaper coverage options that may

Administrative Services Proposal - COBRA

better suit their needs. That's one reason why we promote marketplace to qualified beneficiaries in our SRNs. And marketplace comes with perks for our employers, including:

- The potential to save money. You might see lower premiums, since fewer COBRA elections can lead to fewer claims, which reduces your costs.
- Less risk. COBRA members typically have a higher volume of claims than employees on your employer-sponsored health plan. When individuals choose marketplace coverage instead of COBRA, the risk associated with claims is taken on by the provider they choose.
- Building goodwill. Providing qualified beneficiaries with options helps them save money, too.



The WEX difference



Direct bill administration

- Our mail fulfillment offers a fully automated, compliant, and hands-off solution that is highly scalable (making it easy to manage erratic volume).
- Easy ability for members to submit a one-time payment, make recurring payments, and more with our mobile app.
- Meets billing needs for retiree, LOA (leave-of-absence), and furloughed employee populations

Administrative Services Proposal - Direct Bill

What is direct bill?

Direct bill is our billing solution to reduce your workload for a variety of populations receiving benefits from you, including:

- Retirees (52% of our direct bill members)
- Leave of absence (30% of our direct bill members)
- FMLA (Family and Medical Leave Act) recipients

What we take off your plate

When you choose WEX, we take much of the billing burden off your plate in the following ways:

Print and mail fulfillment

Once WEX is notified of a direct bill member, our automation kicks in. We mail a welcome letter containing payment coupons and send them instructions on how to access the participant portal.

Premium payments

WEX monitors member activity to ensure payments are made within the required grace period as determined by your plan. Payments received with a postmark past the grace period deadline are returned to the member and coverage may be terminated with carrier.

WEX also remits premium payments to the employer via ACH deposit or monthly check.

Carrier communications

We notify the carrier(s) when we receive premium payments from direct bill members and when a member's coverage is terminated. Our teams are always innovating to find new ways to expand this capability while helping employees stay compliant and preserve data accuracy via data integrations with carriers.

Open enrollment and plan change notices

WEX sends standard open enrollment letters, plan change notices, and generic carrier enrollment forms to direct bill members at no additional cost. WEX also collects enrollment forms and forwards them to the carrier for processing. We also provide additional open enrollment materials to direct bill members through messages in their online account.

Administrative Services Proposal - Direct Bill

If you request we send additional open enrollment materials to direct bill members, they can be mailed at a cost of \$1.50 per duplex page, with a 25-page maximum.

Member questions

When your direct bill members have questions, we have answers. Your direct bill members can contact our participant services team between 6 a.m. and 9 p.m. Central time Monday through Friday. They can also find answers to questions anytime in our knowledgebase of help articles through their online account or on our website at <https://www.wexinc.com/insights/benefits-toolkit/>.

Direct bill member experience



Mobile and online account

Once your qualified beneficiaries elect COBRA, they enjoy a consistent experience through our mobile app and online account. Access to our app and online account includes:

Feature	Mobile App	Online Account
Submit a one-time premium payment	✓	✓
Set up recurring payments (via ACH or by providing a credit/debit card)	✓	✓
Real-time payment tracking	✓	✓
View and update profile information		✓
Access to knowledgebase of articles, videos and tutorials	✓	✓
Let's Chat 24/7 chat bot to answer member questions		✓

Administrative Services Proposal - Direct Bill

Payment options

We accept the following premium payment methods:



One-time ACH



Recurring ACH



Credit or debit card



Check

Enrollment

With their election materials, each member receives a registration code and instructions for using our COBRA mobile app and their online account. They can also submit payments to us via fax or mail.



Watch a quick technology teaser video or request a demo to see the full experience.

[COBRA Direct Bill: Participant Portal](#)

[COBRA Direct Bill: Mobile App](#)

Additional features

Premium remittance

Premiums can also be remitted to the carrier(s) when:

- The group is fully insured.
- Benefits end at the end of the month.
- A group agrees to sign up for ACH.

Administrative Services Proposal - Direct Bill

Carrier notifications

We have integrations in place to simplify the process of notifying carriers of updates to coverage and eligibility. We communicate with carriers through EDI 834 files or by email and fax.

Our COBRA carrier operations team specializes in serving as our main point of contact for insurance carriers.

Reporting

Real-time, online reporting is available through the employer portal, including reports on:

- Member status
- Carrier notifications (pending and processed)
- Proof of mail
- Plan rate renewal
- Paid through report
- Generated letters report (summary and detail)
- Members without plans
- QB plan members
- Subsidy schedule
- Remittance reports
- Member by Postal Code
- New Plan Member report
- QB Summary report
- SPM Summary report

Why WEX

Employer Experience

LEAP

LEAP is your single source for benefits and COBRA administration needs. With LEAP, you'll have a guided and intuitive experience during plan setup, renewal, and ongoing administration. Our built-in apps let you:

- Access benefits and COBRA administration-level data, reports, and participant information with one set of login credentials.
- View reporting, analytics, and benchmarking to learn more about account trends, activity, performance, efficiency, engagement, market comparisons, and more.
- Easily complete plan setup and renewal online with step-by-step, 4.5-star rated design guides.
- View help articles and get instant answers to questions through our knowledgebase and assisted support.
- Access administrative fee invoices and plan funding balances, and manage account information including user access.
- Perform non-discrimination testing to support your plan compliance.

75%

of our clients say they used
Leap within the last year

95%

of our benefits clients
auto-renew

91%

of our clients with us
year after year

Onboarding

We provide a clear, efficient, and well-communicated process to give you the peace of mind you need as an onboarding client.

- Intuitive plan designs based upon industry best practices.
- Educational support so you can stay ahead of the curve.
- Fast access to answers from a team of experienced experts.
- Flexible options to contact us via phone, email, or through LEAP.

Administrative Services Proposal

Open Enrollment

Resources & Features*	For your on-site OE	For your virtual OE
OE Toolkit https://www.wexinc.com/wh/openenrollment <i>(Includes digital handouts, educational videos, PowerPoint templates, and email templates.)</i>	✓	✓
HSA goal and savings calculators	✓	✓
Interactive eligible expense list	✓	✓
1-on-1 phone support for your employees to chat with our team of experts before they enroll	✓	✓
Live webinars on our products <i>(scheduled between 7 a.m. and 7 p.m. CT Monday-Friday; subject to availability)</i>	✓	✓
Printed handouts <i>(Select handouts available for shipment to you at no cost within standard shipping timeframes. Quantity is determined by the number of participants plus a percentage surplus. WEX reserves the right to limit the quantity. Expedited shipments or additional quantities may incur fees. The options include:</i> <ul style="list-style-type: none"> • Health Savings Account (HSA) Employee Handout • Health Savings Account (HSA) Limits & IRS Regulations Handout • Benefits Mobile App Employee Handout • Benefits Technology & Resources Employee Handout 	✓	N/A
Employee access to help articles in our knowledgebase	✓	✓
Virtual fair access 24/7/365 <i>(includes an auditorium with video presentations and a virtual interactive booth supported by live chat on Tuesdays and Wednesdays from 10:30 a.m. to 7 p.m. CT)</i>	✓	✓
On-site experts <i>(Available for an additional fee of \$350 per expert, per day plus travel expenses. Attendance is subject to availability and dependent on CDC guidelines/corporate policies regarding travel at the time of the request.)</i>	✓	N/A

Administrative Services Proposal

Additional education

- SHRM accredited webinars for HR teams to stay up-to-date on the ins and outs of benefits, compliance, and more.
- Our blog (<https://www.wexinc.com/insights/blogs/health/>), which shares the latest news and trends in employee benefits and COBRA.
- Our podcast (<https://anchor.fm/benefitsbuzz>), which keeps you up-to-date on the world of employee benefits. Learn from industry experts on topics such as leadership, talent retention, HSAs, LSAs, compliance and more.

Outreach

We're industry leaders in innovation and user experience thanks in large part to our clients. Feedback drives many of our initiatives and enhancements, which is why we've established avenues to align with our customers and encourage them to provide feedback. They include:

- Our consultant advisory board
- Our employer advisory committee
- On-site client reviews
- Presence at industry conventions
- Surveys
- Knowledgebase article rankings

Contacting us

We encourage our clients to work alongside our experts, or at their own pace and on their own time, with solutions available when you need them. Our client services team is available from 7 a.m. to 7 p.m. Central time from Mondays through Fridays. You can contact us in a variety of ways, including:



Phone: 877-765-8810



Email at employerservices@wexhealth.com
or COBRAemployerservices@wexhealth.com



Assisted support with LEAP

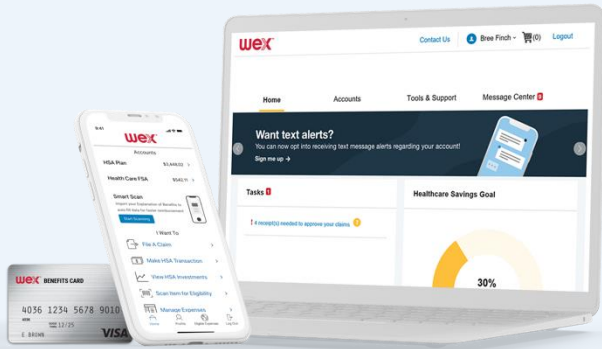
Watch a quick technology teaser video or request a demo to see the full experience.



[Employer Portal](#)

[COBRA Direct Bill: Employer Portal](#)

Administrative Services Proposal



Consolidate and save

WEX offers an integrated solution for you and your participants across all account types. Give your participants a simplified experience with one mobile app/online account, debit card and customer support team.

Your perks include:

- Money saved through bundled pricing.
- Time saved by working in one technology platform, LEAP.
- One partner with flexible support options for all of your service needs.
- Simplified transfer of data by using one file for all benefits.
- Easier implementation, renewal, and open enrollment by working with one trusted partner.
- Experienced assistance and guidance to support compliance when your benefits are viewed holistically.
- Reporting and analytics for all your plans in one place.

Education is the key to success of these plans for the employer and participant, but education on benefits is not a "one size fits all". We provide resources and support options for every participant. We collaborate with you on what solutions will resonate the most to drive employee engagement and ultimately build confidence in the benefits experience.



HSA



FSA



HRA



LSA



**Commuter
Benefits**



COBRA



Direct Bill

Administrative Services Proposal



Our Commitment

We are committed to continuing to improve and simplify the benefits experience by releasing hundreds of enhancements to our technology and service each year. You may not even notice some of them. But each enhancement has a profound impact on the experience you and your participants enjoy with WEX.

Our people, customer service, and technology work together to meet needs before you or your employees know you have them. We're here to serve as an extension of your team. Trust us to deliver.

Administrative Services Proposal

FSA Fee Schedule

<u>Group Size</u>	<u>One-Time Set Up Fee Per Group</u>	<u>Minimums</u>	<u>Per Participant Per Month</u>
Benefit eligible employees 1-199	\$500	\$70**	\$4.95 ppm
Benefit eligible employees 200-999	\$0	\$70**	\$3.95 ppm
Benefit eligible employees 1,000-4,999	\$0	\$70**	\$3.40 ppm
Benefit eligible employees 5,000+	\$0	\$70**	Quoted upon request

The proposed rate may reflect WEX's multi-product discount; if only one product is placed with WEX, the quoted rate may increase.

Additional set up fees may apply for mid-year assumptions (including previous plan year takeover of the grace period or run-out period) or any unique implementation related needs. Pricing is contingent upon partnership.

Monthly administrative fees are guaranteed for five years.

WEX reserves the right to increase fees at any time that are caused by Federal postal rate increases, increases in bank fees, or that are due to Federal legislative changes.

*FICA savings is based on estimated annual elections and participation. Actual savings may vary.

**If two or more Reimbursement Account products are bundled (with the exception of Commuter Benefits); WEX will assess only one minimum monthly fee per employer group.

Administrative Services Proposal

HSA Fee Schedule

<u>Group Size</u>	<u>One-Time Set Up Fee Per Group</u>	<u>Minimums</u>	<u>Per Participant Per Month</u>
Benefit eligible employees 1-199	\$500	\$25**	\$2.75 ppm
Benefit eligible employees 200-999	\$0	\$25**	\$2.25 ppm
Benefit eligible employees 1,000-4,999	\$0	\$25**	\$1.75 ppm
Benefit eligible employees 5,000+	\$0	\$25**	Quoted upon request

The proposed rate may reflect WEX's multi-product discount; if only one product is placed with WEX, the quoted rate may increase.

Pricing is contingent upon partnership.

Monthly administrative fees are guaranteed for five years.

WEX reserves the right to increase fees at any time that are caused by Federal postal rate increases, increases in bank fees, or that are due to Federal legislative changes.

*FICA savings is based on estimated annual elections and participation. Actual savings may vary.

**If two or more Reimbursement Account products are bundled (with the exception of Commuter Benefits); WEX will assess only one minimum monthly fee per employer group.

Administrative Services Proposal

HRA Fee Schedule

<u>Group Size</u>	<u>One-Time Set Up Fee Per Group</u>	<u>Minimums</u>	<u>Per Participant Per Month</u>
Benefit eligible employees 1-199	\$500	\$70**	\$4.95 ppm
Benefit eligible employees 200-999	\$0	\$70**	\$3.95 ppm
Benefit eligible employees 1,000-4,999	\$0	\$70**	\$3.40 ppm
Benefit eligible employees 5,000+	\$0	\$70**	Quoted upon request

The proposed rate may reflect WEX's multi-product discount; if only one product is placed with WEX, the quoted rate may increase.

Additional set up fees may apply for mid-year assumptions (including previous plan year takeover of the grace period or run-out period) or any unique implementation related needs. Pricing is contingent upon partnership.

Monthly administrative fees are guaranteed for five years.

WEX reserves the right to increase fees at any time that are caused by Federal postal rate increases, increases in bank fees, or that are due to Federal legislative changes.

**If two or more Reimbursement Account products are bundled (with the exception of Commuter Benefits); WEX will assess only one minimum monthly fee per employer group.

Administrative Services Proposal

LSA Fee Schedule

<u>Group Size</u>	<u>One-Time Set Up Fee Per Group</u>	<u>Minimums</u>	<u>Per Participant Per Month</u>
Benefit eligible employees 1-199	\$500	\$70**	Quoted upon plan design
Benefit eligible employees 200-999	\$0	\$70**	Quoted upon plan design
Benefit eligible employees 1,000-4,999	\$0	\$70**	Quoted upon plan design
Benefit eligible employees 5,000+	\$0	\$70**	Quoted upon plan design

The proposed rate may reflect WEX's multi-product discount; if only one product is placed with WEX, the quoted rate may increase.

Additional set up fees may apply for mid-year assumptions (including previous plan year takeover of the grace period or run-out period) or any unique implementation related needs. Pricing is contingent upon partnership.

Monthly administrative fees are guaranteed for five years.

WEX reserves the right to increase fees at any time that are caused by Federal postal rate increases, increases in bank fees, or that are due to Federal legislative changes.

**If two or more Reimbursement Account products are bundled (with the exception of Commuter Benefits); WEX will assess only one minimum monthly fee per employer group.

Administrative Services Proposal

Commuter Benefits Fee Schedule

<u>Group Size</u>	<u>One-Time Set Up Fee Per Group</u>	<u>Minimums</u>	<u>Per Participant Per Month</u>
Benefit eligible employees 1-199	\$500	\$70 \$25 if paired with another reimbursement account	\$4.00 ppm
Benefit eligible employees 200-999	\$0	\$70 \$25 if paired with another reimbursement account	\$3.50 ppm
Benefit eligible employees 1,000-4,999	\$0	\$70 \$25 if paired with another reimbursement account	\$3.00 ppm
Benefit eligible employees 5,000+	\$0	\$70 \$25 if paired with another reimbursement account	Quoted upon request

The proposed rate may reflect WEX's multi-product discount; if only one product is placed with WEX, the quoted rate may increase.

Pricing is contingent upon partnership.

Monthly administrative fees are guaranteed for five years.

WEX reserves the right to increase fees at any time that are caused by Federal postal rate increases, increases in bank fees, or that are due to Federal legislative changes.

Administrative Services Proposal

VEBA Fee Schedule

<u>Group Size</u>	<u>One-Time Set Up Fee Per Group</u>	<u>Minimums</u>	<u>Per Participant Per Month</u>
Benefit eligible employees 1-199	\$500	\$70**	\$5.50 ppm
Benefit eligible employees 200-999	\$0	\$70**	\$5.50 ppm
Benefit eligible employees 1,000-4,999	\$0	\$70**	Quoted upon request
Benefit eligible employees 5,000+	\$0	\$70**	Quoted upon request

The proposed rate may reflect WEX's multi-product discount; if only one product is placed with WEX, the quoted rate may increase by 10%. Please contact your Sales & Marketing team with any questions.

Additional set up fees may apply for mid-year assumptions (including previous plan year takeover of the grace period or run-out period) or any unique implementation related needs. Fees are quoted net of commissions.

Monthly administrative fees are guaranteed for five years.

WEX reserves the right to increase fees at any time that are caused by Federal postal rate increases, increases in bank fees, or that are due to Federal legislative changes.

*FICA savings is based on estimated annual elections and participation. Actual savings may vary.

**If two or more Reimbursement Account products are bundled (with the exception of Commuter Benefits); WEX will assess only one minimum monthly fee per employer group.

Administrative Services Proposal

COBRA Fee Schedule

<u>Group Size</u>	<u>One-Time Set Up Fee Per Group</u>	<u>Minimums</u>	<u>Per Covered Employee Per Month</u>
Benefit eligible employees 1-199	\$500	\$100	\$0.80 pepm
Benefit eligible employees 200-999	\$0	\$100	\$0.70 pepm
Benefit eligible employees 1,000-4,999	\$0	\$100	\$0.60 pepm
Benefit eligible employees 5,000+	\$0	\$100	Quoted upon request

The proposed rate may reflect WEX's multi-product discount; if only one product is placed with WEX, the quoted rate may increase.

The following services are also included at no additional cost:

- Access to marketplace
- Initial notice
- COBRA notice and election
- Premium billing and remittance
- Termination tracking and notification
- Standard postage and printing
- Open enrollment form
- Plan change notice

Additional implementation fees may apply based on any unique client build requests. Pricing is contingent upon partnership.

Monthly administrative fees are guaranteed for five years.

WEX reserves the right to increase fees at any time that are caused by Federal postal rate increases, increases in bank fees, or that are due to Federal legislative changes. *A covered employee is defined as any employee participating in a COBRA-eligible plan (medical, dental, vision, etc.).

Administrative Services Proposal

Direct Bill Fee Schedule

<u>Group Size</u>	<u>One-Time Set Up Fee Per Group</u>	<u>Minimums</u>	<u>Per Participant Per Month</u>
Benefit eligible employees 1-199	\$500	\$100**	\$5.25 ppm
Benefit eligible employees 200-999	\$0	\$100**	\$4.75 ppm
Benefit eligible employees 1,000-4,999	\$0	\$100**	\$4.25 ppm
Benefit eligible employees 5,000+	\$0	\$100**	Quoted upon request

The proposed rate may reflect WEX's multi-product discount; if only one product is placed with WEX, the quoted rate may increase.

The following services are also included at no additional cost:

- Access to Marketplace
- Initial notice
- COBRA notice and election
- Premium billing and remittance
- Termination tracking and notification
- Standard postage and printing
- Open enrollment form
- Plan change notice

Additional implementation fees may apply based on any unique client build requests. Fees are quoted net of commissions.

Monthly administrative fees are guaranteed for five years.


WEX reserves the right to increase fees at any time that are caused by Federal postal rate increases, increases in bank fees, or that are due to Federal legislative changes.

*A covered employee is defined as any employee participating in a COBRA-eligible plan (medical, dental, vision, etc.).

**Minimum does not apply if paired with COBRA.

Administrative Services Proposal

Additional Product and Service Solutions

Implementation	Pricing
FSA or HRA Mid-year Assumptions or previous plan year takeover (grace period and/or run out period)	\$1,000
Debit Card	Pricing
WEX Benefits Debit Card (2 cards per participant) 	Included in PPPM
Additional Debit Cards for Spouse and Dependents (18 years of age and older)	Included in PPPM
4th Line Embossing for Employer Name (Up to 19 Characters)	Included in PPPM
Co-branded Debit Card	\$900 one-time fee
Custom Debit Card	\$900 one-time cost + ongoing plastic costs minimum order of 10,000
EMV Debit Card	Request quote
Custom MCC Network	\$1,500 per custom network
Open Enrollment	Pricing
<p>Our Open Enrollment Toolkit* provides access to valuable resources, content, and tools to promote enrollment and utilization of our plans resulting in increased FICA tax savings and employee retention for our clients. The toolkit includes the following items:</p> <ul style="list-style-type: none"> ● Handouts ● Educational email templates ● PowerPoint slides ● Post-enrollment educational resources via our knowledgebase ● Promotional/educational videos ● Virtual open enrollment fair experience ● One on one phone support ● Product calculators <p>*Toolkit may be modified at our discretion</p>	Included in PPPM

Administrative Services Proposal

<p>Educational Webinar Presentation Custom webinar with live representation from WEX</p>	<p>Additional fees may apply</p>
<p>Open Enrollment Compilation Video Educational video tailored to an employer’s specific plan design (i.e. grace period, run-out, carryover, etc.)</p>	<p>\$195 one-time fee</p>
<p>Automated Educational Email Campaign Email campaigns developed to promote open enrollment and educate employees on the available plans.</p>	<p>Request quote</p>
<p>On-Site Enrollment Meetings & Benefits Fairs</p>	<p>May be available for an additional fee of \$350 per day plus travel expenses; attendance is subject to availability and dependent on CDC guidelines/corporate policies regarding travel at the time of the request.</p>
<p>Kickstart Mailer Introductory direct mail piece mailed via USPS to all new enrollments or those without email</p>	<p>\$1.50 per mailer</p>

<p>Custom Communication Solutions</p>	<p>Pricing</p>
<p>Our Custom Communication Solutions let you take advantage of a variety of co-branding and customization options. You can leverage our consultative team to build a plan that works best for you or choose one of our existing packages. Through a collaborative discussion and review of your needs, we’ll help you create and implement a customized communication plan to meet what you’re looking for, built from options like those listed below.</p> <ul style="list-style-type: none"> ● Co-branded consumer email notifications and/or portal ● Custom portal colors, banners and/or post login messaging ● Custom benefit email notifications ● Co-branded or completely custom OE materials ● Re-branded COBRA notifications and/or portal ● COBRA/direct bill custom attachments or notifications ● Email or mailed letter communications ● Direct mail <p>Also available here: https://www.wexbenefitsyou.com/custom-marketing-solutions/</p>	<p>Co-branding Package: \$2,750 Custom Consumer Online Account Package: \$3,000 Gold Customization Package: \$6,000</p> <p>Note: Any hard costs for options chosen will be added in addition to the base program fee. Additional fees may apply if additional updates or requests are made after final deliverables are sent or go-live dates have occurred.</p>



Administrative Services Proposal

Data File Integrations Options	Pricing
<p>File Transmission The transmission of data in WEX standard file layout to allow for administrative services.</p>	Included in PPPM
<p>Custom File Transmission</p> <ul style="list-style-type: none"> ● Consumer Data Exchange ● COBRA Data ● Claims Exchange ● Debit Card Substantiation 	\$1,200 annual fee (per file type)
<p>ACA File Transmission Enables transmission of necessary data to a third party for ACA reporting services.</p>	\$1,200 annual fee
<p>834 5010 Eligibility File - Outbound Enables transmission of an EDI 834 5010 to carriers for purposes of eligibility.</p>	Included in PPPM (minimum eligibility may apply)
Online Account Integration Options	Pricing
<p>Single Sign-On Enables a seamless transition between one online platform to the WEX Consumer Online Account without the need for the user to enter additional login information.</p>	\$2,000 annual fee (per portal)
<p>Outbound Single Sign-On Enables a seamless transition between WEX Consumer Online Account to another third party platform without the need for the users to enter additional login information.</p>	\$2,000 annual fee (per portal)
<p>Web Services Enables the ability to display up to five data elements (ex. balance, elections) within a third party system.</p>	\$2,000 annual fee (per portal)
Custom Reporting	Pricing
<p>Standard Reports and Notifications Report on data at the employer level. Most reports and notifications can be automatically delivered via email, or to one of the portals.</p>	Included in PPPM
<p>Ad-Hoc Reporting Report on data at the employer level. Reports are generated real-time from LEAP.</p>	Included in PPPM
<p>Custom Reporting</p>	\$195 per hour *minimums may apply

Administrative Services Proposal

<p>Creation of a custom report based on to build specific report fields, parameters and frequency. Reports are delivered by SFTP or with LEAP.</p>	
<p>Programming</p>	<p>Pricing</p>
<p>Custom Development If custom work is requested, WEX will create a Professional Services Agreement.</p>	<p>\$195 per hour</p>
<p>Manual Processing</p>	<p>Pricing</p>
<p>If custom work is requested, WEX will create a Professional Services Agreement.</p>	<p>\$195 per hour</p>
<p>Non-Discrimination Testing</p>	<p>Pricing</p>
<p>Key DCAP Access testing of the POPFSA template for the following plans: Cafeteria Plan Only (POP) Dependent Care (Section 129)</p>	<p>Key DCAP included in PPPM</p>
<p>Non-Discrimination Testing Subscription Non-discrimination testing available for the following plans: Cafeteria Plan Only (POP) Medical FSA (Section 125) Dependent Care (Section 129) Health Reimbursement Arrangement (105h) Self-Insured Medical Plans</p>	<p>\$500 annual fee paired with a benefits product. Non-discrimination testing subscription \$1,000 annual fee for standalone COBRA clients. (provides access to all available tests at any frequency)</p>

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WEX Reimbursement Account Wholesale Pricing for Sourcewell						
	0-199 benefit eligible employees		200-999 benefit eligible employees		1,000-4,999 benefit eligible employees	
	Sourcewell List Price	Standard Market Price	Sourcewell List Price	Standard Market Price	Sourcewell List Price	Standard Market Price
FSA (includes Dependent Care and Limited)	\$4.95 ppm	\$5.40 ppm	\$3.95 ppm	\$4.50 ppm	\$3.40 ppm	\$3.95 ppm
HRA (213d eligible expenses)	\$4.95 ppm	\$5.40 ppm	\$3.95 ppm	\$4.50 ppm	\$3.40 ppm	\$3.95 ppm
Commuter	\$4.00 ppm	\$4.50 ppm	\$3.50 ppm	\$4.00 ppm	\$3.00 ppm	\$3.50 ppm
HSA	\$2.75 ppm	\$3.50 ppm	\$2.25 ppm	\$3.00 ppm	\$1.75 ppm	\$2.50 ppm
Veba	5.50 ppm	\$6.00 ppm	\$5.50 ppm	\$6.00 ppm	Quoted upon plan design.	
Lifestyle	Quoted upon plan design.					
COBRA	\$0.80 per covered employee per month	\$0.95 per covered employee per month	\$0.70 per covered employee per month	\$0.85 per covered employee per month	\$0.60 per covered employee per month	\$0.75 per covered employee per month
Direct Bill	\$5.25 ppm	\$5.50 ppm	\$4.75 ppm	\$5.00 ppm	\$4.25 ppm	\$4.50 ppm
Set-Up Fees	\$500 per employer group		No Set-Up Fee		No Set-Up Fee	

- All Sourcewell List Pricing is subject to additional discounts or incentives based on HSA assets under management, multi-product offerings, HRA and/or Lifestyle plan designs, etc.
- Employer groups with 5,000+ benefit eligible employees should contact WEX for pricing.
- A covered employee is defined as an employee participating in any plan offered by the employer that is subject to COBRA and selected for services under the administrative services agreement.
- Fees are quoted net of commissions. Monthly administrative fees are guaranteed five (5) years from the original plan effective date WEX reserves the right to increase fees based on additional costs imposed on WEX, such as significant postal rate or bank fee increases or substantiated increased costs due to legislative or regulatory changes, domestic or foreign, actually incurred in performing its services.

Revenue Share to Sourcewell paid out quarterly is 2% based on administrative fees.