



401(h)
Account
Solutions



control

healthcare

costs

Why BPAS?

BPAS is a national provider of retirement plans, benefit plans, fund administration, and institutional trusts. We offer a range of services that simplify the complicated nature of retirement and benefit plans without the need to engage multiple providers. One company. One call.



A 401(h) account that makes your life easier

We believe retirement and benefit plans should be easier and more effective, with less work for everyone. In fact, we've made it our business. Our premier service model, combined with full fee transparency and operational accuracy, superior customer service, and the highest levels of security available provide the support, versatility, and experience clients can depend on:

- A unique, vertically integrated solution where BPAS is the recordkeeper, administrator, clearing firm, and asset custodian — simplicity and accountability, with dedicated fully-credentialed plan consultants and a single point of contact
- A powerful combination of administration, technology, and investments that eliminates time-consuming paperwork and simplifies life for HR:
 - BPAS clients report a 40% time saving over previous administrators
 - 180/360-payroll integration for fast and easy data transmission
 - Secure web portals, mobile app, and on-demand reporting make account management a breeze for plan sponsors and participants
- Open architecture investment platform with first-dollar investing
- Single sign-on and same investment menu options for retirement plans and 401(h) accounts
- Online contribution rate changes and tools
- Level-compensation arrangement (no hidden fees)
- Stability as a well-established financially-stable subsidiary of Community Financial Systems, Inc. (NYSE: CBU) means no buyouts or mergers

Everything you need to set up and maintain a 401(h) account can be done under one company, one call.

BY THE NUMBERS

6,100
retirement plans

\$110 billion
in trust assets

\$1.3 trillion
in fund administration

910,000
participants

96%
client satisfaction rating*

*2025 BPAS Client Survey

One Company. One Call.

BPAS is committed to providing the best in health and welfare plan administration by delivering a streamlined solution. We deliver everything you need to set up and manage a 401(h) reimbursement account through our seamless operational environment that offers significant savings in time, money, and administration.

Multiple Roles. One Provider.

Administration:

BPAS delivers advanced plan consulting for the full spectrum of health and welfare plan types and designs in addition to direct access to fully-credentialed experts dedicated to your account.

Recordkeeping:

BPAS focuses on technologies that drive participant outcomes, ease the day-to-day burden for HR professionals, and create high levels of client satisfaction. By receiving a full census file with each payroll submission, we simplify the process and take ownership.



Claims Processing:

We use Wex Cloud for 401(h) claims adjudication and payment processing. Our integrated platforms allow us to offer multiple options to pay expenses and reimburse claims, including an integrated debit card and robust mobile app.

Custody:

BPAS uses a single system for both recordkeeping and trust/custodial services; a distinct advantage since we handle transactions a single time, not replicating records between the plan and trust system.

Trading:

BPAS operates under a flexible, open-architecture philosophy – offering funds from more than 350 fund families (representing 20,000+ tickers in total). It also includes NSCC-traded collective trusts. We provide you with options to determine the best investment menu for your plan, and offer first-dollar investing.

What is a 401(h)?

401(h) is a retiree health benefit account set up within a defined benefit pension, money purchase pension, or annuity plan. Section 401(h) of the Internal Revenue Code permits a pension or annuity plan to provide for payment of benefits for sickness, accident, hospitalization and medical expenses for retired employees, their spouses and dependents.

Designing a solution that's right for you.

Why offer a 401(h)?

Your 401(h) allows employees to have more control over health care purchase decisions by:

- Helping pay for eligible healthcare expenses
- Giving employees online access to information and tools to monitor their account and make more informed decisions
- Providing retirees the convenience of debit cards for purchases which means no extra paperwork
- Allowing retirees tax-free reimbursements

401(h) Design

- The 401(h) may operate as a pooled reserve that pays health benefits for all covered participants/retirees (similar to a dedicated benefit plan).
- Or, the 401(h) may include separate retiree health accounts to provide health benefits for each participant/retiree under the plan (similar to a defined contribution plan).
- Either option helps employees have more control over health care purchase decisions.

Funding

Funding for a 401(h) account depends on the terms of the individually designed plan document but must be subordinate to the funding of the retirement plan obligations.

Contributions may include:

- Employer based, with no minimum contribution required
- Employee contributions- whether as a specific dollar amount or percentage of pay
- Section 420 transfers of excess assets from a terminating defined benefit pension plan



All medical expenses as defined by the IRS Code Section 213(d) are eligible expenses under a typical 401(h) account, as well as certain insurance premiums:

1. Co-pays, prescription drugs, over-the-counter medications, office visits and deductibles
2. Active and post-employment dental, medical, and vision services
3. Medicare Part B and D
4. Long-term Care Insurance

Saving You Time

You get experienced professionals who simplify the process, take ownership over administrative matters, automate routine tasks and make life easier for Human Resources.

We'll take care of the plan details using our expertise and success in the consumer driven health arena and retirement plans so you can spend your time running your business, not your 401(h) account.



Features that give you peace of mind

-  Web self-service features for plan sponsors and participants puts everything you need to manage your plan at the click of a mouse.
-  Eligibility monitoring by source and entry date, and welcome letters mailed to newly eligible participants.
-  Everything is coordinated through one company, one point of contact so there's less overhead and fewer people involved in the process.
-  All employees tracked in our system, regardless of balance, simplifying your year-end process.
-  We help employees meet compliance and fiduciary obligations and provide continuing educational, regulatory updates and an annual plan survey to assess performance.
-  Real-time updates of participant accounts with each payroll including eligibility. Accurate plan data, all the time.
-  Direct interaction with participants on claims submission and reimbursement/repayment activity, without the need for HR involvement.
-  Our certified audit package streamlines the process for plans subject to audit.

Helping you meet Regulations:

- The 401(h) must specify the health benefits that will be available, the amount of benefits, and the time period to which benefits will be paid.
- BPAS tracks 401(h) account reimbursements of all participating employees.
- Employees submit an Insurance Explanation of Benefits (EOB) or other appropriate documentation to get reimbursed for expenses.
- Funding contributions must be in a separate account.
- Balances roll over each year, allowing the employees to accumulate and accrue interest.
- Must meet tax qualification standards.
- Not subject to minimum vesting requirements that apply to pension plan.
- Subject to nondiscrimination testing and must not discriminate in favor of highly compensated employees.

Saving You Headaches

Every BPAS client works with a dedicated Health and Welfare Plan Consultant who serves as the single point of contact on a day-to-day basis. Each client has a dedicated Plan consultant regardless of group size. You will appreciate direct, unfettered access to an expert who works to resolve issues quickly.



At BPAS, relationships matter

BPAS Plan Consultants

BPAS Plan Consultants are distinguished by their quality, depth of ERISA experience, and dedication to excellence. More employers are realizing that consistent service, accuracy, and responsiveness are critical. BPAS delivers.

Your fully credentialed BPAS Plan Consultant will handle:

- year-end contributions and forfeiture allocation
- census file assistance
- plan change management
- audit support

“Always willing to go the extra mile to help us or guide us in all aspects.”

“Educated, reliable, helpful, friendly, and responsive to any questions related to the plan. They work well with us during our annual pension audit and always offers to lend a hand if we need help.”

BPAS Plan Consultants

By the Numbers

92% hold professional designations 

10 hold 2 designations **5** hold 3 or more

 **12** professional plan consultants

9 years of tenure on average with BPAS 

 **3** have over 20 years of experience

Saving For The Future

Your 401(h) can help employees have more control over their health care purchase decisions and provides for reimbursement of qualified medical expenses for retired employees, their spouses, and dependents. BPAS offers a suite of tools and resources to keep your employees engaged.



Participant Tools & Resources

Claims & Reimbursement

We process claims on a daily basis so participants don't have to wait for their reimbursements. Balances continue to grow until claims are processed and funds are withdrawn. Participants may submit claims for reimbursements online, through the mobile app, fax, or by mail.

To ensure IRS compliance, 100% of claim requests are substantiated. We send reimbursement for eligible expenses to participants either through direct deposit or with a check. Participants are able to check their account balances, file claims, and even upload receipts using the camera on their phones with the mobile app.



BPAS ClaimFinder

BPAS ClaimFinder automatically collects receipts (substantiation) for claims without all the paperwork. Participants simply connect their insurance accounts with BPAS ClaimFinder and we will auto substantiate their claims. No need to upload receipts- we will do it for them! We send participants an email with a link to set up BPAS ClaimFinder after they complete enrollment. Fast and Easy.

Debit Card

We offer debit cards as part of our standard service that makes accessing the 401(h) account balance easy. There are no administrative fees charged to



employees for the debit card. **Plus, it can be added to a mobile wallet for fast and secure payment.** Participants simply pay for eligible expenses at the point of purchase just as if it were a credit card. Funds are automatically paid to the provider out of the 401(h) account. No transaction fees, no claim forms, no waiting.

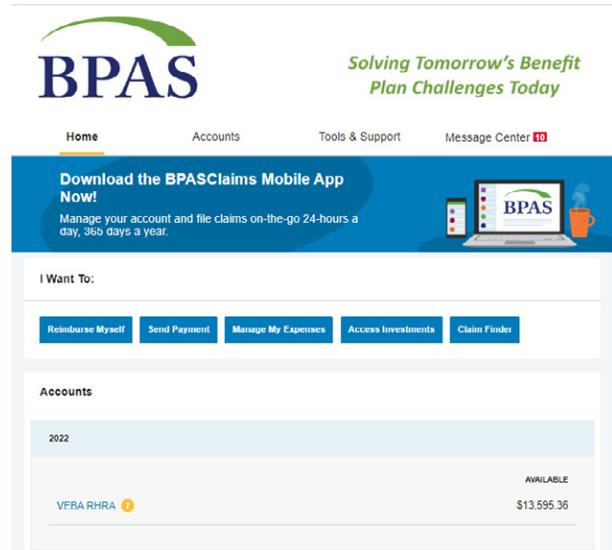
Service Center

State-of-the-art US-based Participant Service Center staffed by BPAS employees Monday through Friday, between 8 a.m. and 8 p.m. ET, including a request a callback feature. We employ Spanish speaking representatives and offer other translation services for more than 100 languages. We also offer a 24-hour Voice Response System (VRS) so participants can get immediate answers to automated information like balance details or distribution status.

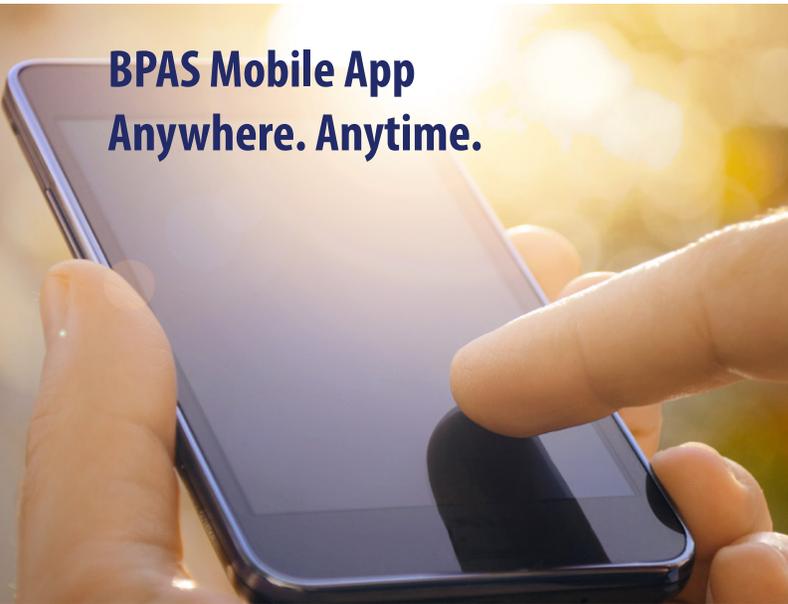
Online Participant Services

Online account services are available 24/7 and offer participants a wide range of secure, on-demand activities including:

- Contribution rate changes
- Account summary and balance details
- Transactions and account history
- Statements
- Investment information and performance
- Plan highlights and notices
- Investment elections/reallocate account balance
- Online claim submission
- Claims status and history
- Pertinent forms
- Educational materials



BPAS Mobile App Anywhere. Anytime.

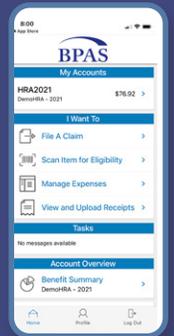


Check your account balance, file claims, and even upload receipts using the camera on your phone. Download the free BPAS mobile app by searching BPASClaims from the app store or marketplace.

To activate the app, you'll need a unique username and password.

- Your username is your first initial, last name, and last 4 digits of your Social Security Number.
- Your temporary password is your first name, the 2-letter abbreviation for the state you live in, and the last 5 digits of your SSN.

You'll then be prompted to create a new password and 4-digit PIN.



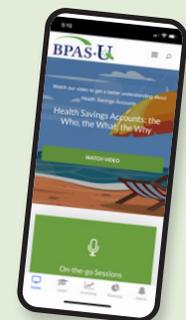
BPAS University

BPAS University puts account information into the palm of participants' hands, allowing them to:

- Utilize a variety of free educational multimedia tools and resources
- Receive guidance in achieving financial goals
- Access their secure account online.

Just one more way to help participants get on the road to financial security.

Visit u.bpas.com to learn more.



Administrative Services

Manage all aspects of your plan through the secure plan portal.

"I really like the Plan Portal and all the reporting capabilities available there. It is very easy to locate information about our plan, participants, etc."

Plan Portal

You'll find a wealth of online data that can be retrieved on-demand for analysis and reporting anytime, anywhere, such as:

- Daily balances by fund and source
- On-demand statements
- Rates of return
- Daily and on-demand reports
- Fund information
- Withdrawal information

The Library delivers an online file cabinet for all plan-related documents, like: reports, forms and notices, policies and guides, trust statements, compliance tests, and more.

In Action Items, you'll find items that often require your attention like contribution changes, and participant updates so they can be quickly incorporated into your payroll system.

Security

We are dedicated to safeguarding data and have strict protocols on privacy, security, and transaction standards. These standards address who is authorized to access and control information, as well as protect information from accidental or intentional disclosure to unauthorized persons. We are fully HIPAA compliant. All data transactions including file transfers, administrative tasks, and web portal access are encrypted using industry standard encryption policies.



The Plan Portal delivers your BPAS information and reports at the simple click of a mouse. Use this handy guide to learn about many online tools and features all designed to make your life easier.

Tab	Description
Dashboard	<ul style="list-style-type: none"> • Kind of plans with high-level metrics. • Plan Messages: create and manage messages for plan participants. • My Profile: shows email address and phone number on file with BPAS. • Account Security: Update password information every 90 days.
Home	<ul style="list-style-type: none"> • Plan Balance Highlights and Account Summaries. • Action Items quick links. • Plan Consultant contact information. • Participant Search quick link. • Summary: <ul style="list-style-type: none"> — Balance: View plan balance by investment or source. — Activity: Select Plan Transactions to create a plan level report with a selected date range, category, source or investment filter. Select Participant Transactions to create a participant level report. Select Pending Transactions to view transactions submitted by participants for the current day through 4pm ET. — Assets: Select Plan Statements to create a plan level report for a specific date range. Select Participant Statement to create a participant level statement. — Investments: Research plan investments and performance, view fact sheets and prospectus for each investment. — Search: View participant details including division, status, current and vested balance with status and login information. Link to participant accounts and open participant portal account (if permitted). — Beneficiaries: For plans using the Online Beneficiaries Designation feature, view and print on-demand reporting. — Login History: View participant login activity and history.
Action Items	<ul style="list-style-type: none"> • Action items often require your attention, including potential changes to payroll systems. • Contribution Changes: Reports such as Payroll, Rate and Match Changes, and Verifications. • Important Links to external sites or documents.
Library	<ul style="list-style-type: none"> • Quick search by keyword across entire library. • Participant Reports: including demographics and investments. • Plan Reports: including fund and source summaries, fund and source detail, transaction detail, statement on demand, government filings (e.g., Form 5500 and Form 990), annual notices, compliance, and more. Of course, actual reports provided for your plan will be driven by your plan's configuration, design and features. • Forms and Notices: Access Enrollment Kit, Education materials, Summary Plan Description, Required Annual Plan Notifications and other relevant Plan Notices, Forms, and more. • Policies and Guides: Cybersecurity and Account transaction policy for both Plan Portal and Participant Portal. • Deferred Reports: Deferred Plan Transactions or Plan Statement on Demand Reports run within past 3 days.

Easy Implementation

When you choose BPAS, we'll assign a dedicated Implementation Specialist to manage the entire conversion process. The Implementation Specialist will review your plan document, work with you to optimize your plan design and administrative practices, then lead a series of conference calls to manage activity against a mutually-agreeable timeline.

The implementation process includes communicating with the prior administrator, the prior trustee/custodian, and payroll on important steps, in coordination with BPAS to ensure a smooth and seamless transition. We strive to make the process easy, taking on the full burden of communication and project management. While there are many approaches we can use to convert your plan, a typical process is shown below.

Proven, Easy Onboarding



2 Months Prior

- Submit installation kit
- Complete fund sections

1 Month Prior

- Distribute new provider memo to employees
- Determine blackout period
- Collect enrollment data
- Begin processing employee contributions per investment elections

Month 1

- Receive file from prior recordkeeper
- Complete fund map-over/re-registration of shares (typically 1 to 2 business days)
- Plan is live
- Welcome letters mailed to participants

Plan Sponsors report a 45% reduction in time spent on their plan since converting to BPAS.

Tax Savings | Easy Online Forms | On-demand Reports
Secure Web Portals | Single Sign-on Capabilities | Open Architecture Investments
First-Dollar Investing | Mobile App | One Company | One Call



Let's get started.



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