

Health Reimbursement Arrangement (HRA) Plan Administration User Manual

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Chapter 1: Introduction

I. Plan Administrative User Manual

Welcome! This user manual is a go-to guide for procedural questions related to the day-to-day operation of your Health Reimbursement Arrangement (HRA). Use this manual for convenient and quick access to recordkeeping and administrative procedures.

BPAS regularly makes changes to procedures to further streamline the administrative efficiencies offered to clients. As such, this Plan Administrative User Manual is a living document and will be frequently updated. The most recent version will always be located on the Plan Sponsor Portal. Significant changes may also be communicated via email.

Your plan account representative is your main contact for any plan-related questions. For questions that are not addressed in this manual, please contact your plan account representative.

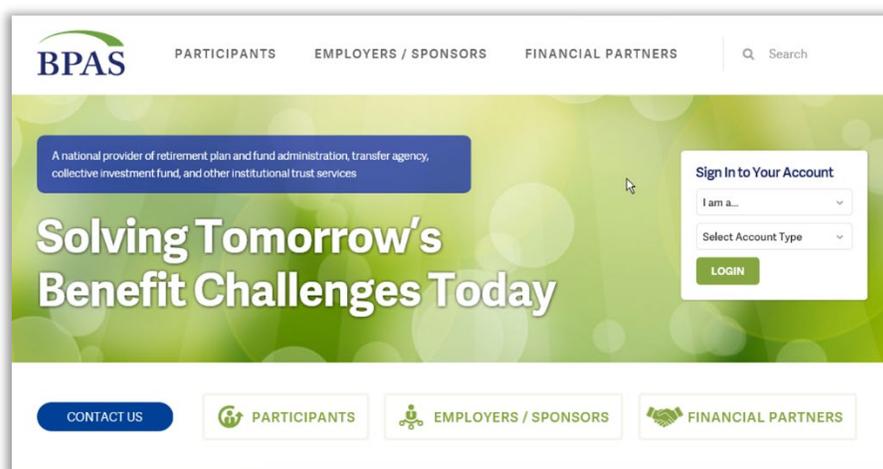
II. Website Access

The BPAS website provides the plan sponsor, benefits consultant, and participants 24/7 online access to view and manage retirement account activity. Here, users can view reports, utilize special tools, review personal information, and keep up to date with important announcements all through one site.

A. Plan Sponsor Portal Access

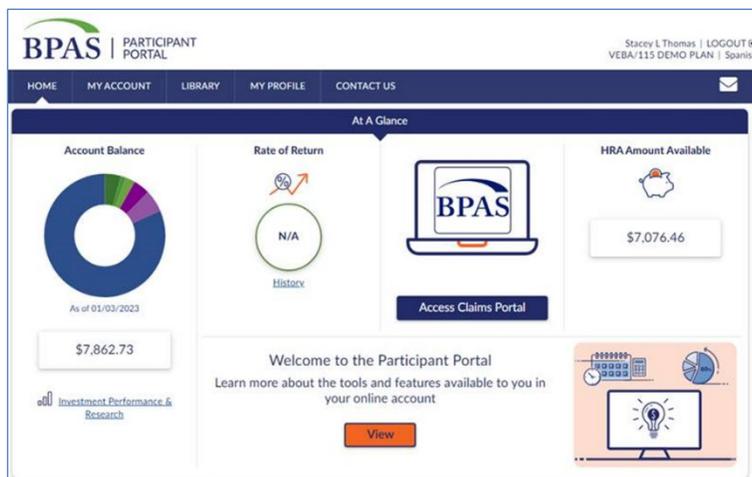
The Plan Sponsor Portal offers several menus and features that can assist you in monitoring plan activity, providing management reports, and general administration.

1. You may access the Plan Sponsor HRA Portal by visiting your plan's designated HRA web address or from BPAS.com. In the **Sign In to Your Account** section, click on the drop-down menu under **I am a...** and select **Plan Sponsor/Employer**, then click on the **Select Account Type** drop down menu and choose **VEBA/115 Trust**.
2. On the Plan Sponsor login screen, enter the User ID and Password that we sent to you in a separate communication. Then, click on the **Login** button.



B. Participant Website Portal Access

- Participants will be able to access their HRA account one of two ways:
 - Login from **U.BPAS.com** for direct access to their BPAS HRA account; the login credentials and initial user ID will be sent to participants by mail along with login instructions; or
 - Login to their HRA portal which will provide a single sign-on option to connect directly to the BPAS HRA Investment portal.



III. Plan Sponsor Portal Features

A. Daily Plan Reports

These reports provide summary and/or detailed information at both the Fund and Source levels. They also provide users with the ability to run transaction detail reports and create statements on demand. The Defer Report checkbox allows a user to run a report that may take several minutes to complete and “defer” the results while continuing to navigate through the website. A pop-up message notifies the user when the report is complete, or, if the user has exited the site, the report will be available upon return.

B. Resource Center

This section provides an array of information and interactive links. In this area, users will find plan, administrative and government links; general information such as SSAE-18 reports; bond information; newsletters; and required notices for distribution. The Resource Center also provides essential detail for the day-to-day operations through the Action Items section. The Resource Center includes:

- Plan Documents and Notices:** where you will find regulation documents that require distribution to participants.
- Action Items:** require action on the plan sponsor’s part including invalid addresses, missing participant data, participants who have never logged in and other vital information. Plan Sponsors should review these items for updates prior to their payroll submission.
- Annual Plan Year Reports:** Certified annual trust statements, participant detail reports, annual statement summaries, Forms 5500 and 990 (if applicable), etc. These reports are archived for each year the plan has been with BPAS.
- Education:** HRA Enrollment Guide, and HRA FAQs, etc.

C. Fund Information

Performance: offers performance in periods of 1 month, 3 months, 1 year, 3 years, 5 years, and 10 years. Additionally, there are links to fund fact sheets.

D. Participant Reports

These reports provide a variety of participant-based data:

- Access to an **Employee List** using various search criteria
- **Login History** that allows users to see login history for the last 90 days
- **Pending Web Transaction**
- **Name & Address Export**
- **Beneficiary List** if you elected to utilize our Online Beneficiary feature

E. Access Participant Portal

Users can access an individual participant accounts through this link. To access a participant's account on the Plan Sponsor Portal, select **Access Participant Site/View Participant**. Enter the Social Security Number (SSN) or the first few letters of the participant's last name. Select **Submit Query**. Choose the correct participant link from the list generated. To return, select **Return to Sponsor**.

Enter a space in the last name field to bring up a list of all employees.



F. Maintenance

This section provides the Plan Sponsor the ability to:

- Unlock Accounts for participants that have been locked out of the account, (if applicable).
- Change Password allows the Plan Sponsor to change their password and select security challenge questions.

G. Notifications

This feature allows the Plan Sponsor to manage notifications to participants:

- **Plan Message:** create and post a message on the Participant Portal and set parameters for when the message appears.
- **Disable Web Message** allows users to remove a message at any time.
- **Message History:** tracks the messages for historical review.

Chapter 2: Processing

I. Census Reporting and Contribution Information

Ensuring compliance with both the DOL and IRS Regulations is essential to the operation of your Benefit Plan. BPAS is dedicated to accurate census reporting to help ensure the plan meets compliance deadlines.

The BPAS Census Department issues a Welcome Letter to introduce new users to the proprietary BPAS system for transmitting census files. Periodic payroll data is provided to BPAS electronically using a proprietary web-based census data capture application called CensusPRO2™. CensusPRO2 provides both manual data entry and file import capabilities. File specifications for each layout are included in the Welcome Letter. The complete **User Guide and Quick Steps** can also be accessed from the CensusPRO2 Help Menu, once logged in to the account.

When you are ready to log in to CensusPRO2, remember that the Username and Password are case sensitive (note: your credentials are not the same as the Plan Sponsor Portal). Please feel free to call a member of the BPAS Census Department at 315-292-6970 or email at census@bpas.com with any questions when preparing the census file or if you need help logging in.

A. Census Frequently Asked Questions:

Q: Why do we have to send a full census file every payroll?

BPAS receives census files with each contribution (not merely a payroll file) and checks the file for a variety of edits. BPAS then notifies the plan sponsor of the corrected amount to be funded by source, as well as any edits/corrections made to the file via an electronic ACH Debit Verification with corresponding email notification of the verification being created in CensusPRO2. When the plan sponsor approves the verification form and returns it to BPAS, BPAS will initiate trades at the close of business and debit the plan sponsor's account the following business day.

Additional benefits of a full census file include:

- Employee updates are made immediately once payroll has been processed (such as name and address changes)
- New employees are added to the system and an entry date is calculated
- A final year-end file is not required if submitting each payroll period

Some of the edit checks BPAS performs on contribution files include:

- Employees with missing or invalid data
- Contributions submitted for participants who are not yet eligible
- A variety of other reasonableness checks per plan document specification

Q: Why can't my payroll provider (or I) just FTP transfer the file?

BPAS requires census files to be uploaded through CensusPRO2 to ensure all required data is submitted in a consistent format. CensusPRO2™ allows clients to utilize our efficient and automated systems and procedures. CensusPRO2 streamlines the process of segregating and investing contributions; provides many reconciliation reports; allows for manual and electronic payroll data input or import; delivers the capability for electronic verification as opposed to paper via fax; offers the option to maintain employee data between payroll dates; and provides a way to track and monitor the progression of all files and information submitted to BPAS.

BPAS also integrates with many payroll companies that do part, or all, of the census submission process for their clients. The census team member designated to your plan's set up can discuss this option with you. If your payroll provider does not offer integration, we will be happy to provide you a list of payroll companies that do.

B. Reporting New Employees and Employee Changes

Report new employees to be added to the plan through CensusPRO2. Please also report other changes such as an address change, termination date, or name change through CensusPRO2.

C. Claims Processing

For clients utilizing BPAS as the adjudication and processing administrator, BPAS analysts will access the web portal and view all uploaded claims submitted by participants. BPAS analysts review each claim received to verify that the expense is eligible and all itemized data has been submitted. Claims cannot be processed until all required fields and documents have been submitted. All information undergoes a second peer review before a final decision is made. The approval or denial process is determined at this stage. If the claim is approved, the receipt will be released for payment. If the claim is denied, a letter is generated notifying the participant of the need for repayment of the denied expense for debit card transactions, or to request further substantiation before payment can be released. Ultimately, the claim is either processed or cleared and the transaction is validated. Upon validation, the approved amount will be deducted from the participant's account balance and reflected in the HRA adjudication system immediately.

D. Quarter-End Processing & Reporting

At the close of each plan year quarter, data is compiled on a cash-basis and valuation reports are produced and published on the plan sponsor portal. Quarterly reports are archived and include reports such as: **Certified Quarterly Trust Asset Report, Summary by Funds, and Summary by Source**. Benefit Statements are posted to the HRA participant portal each quarter for access at any time. Participants may opt to have their statements mailed.

Plan Sponsor reports can be found at **Resource Center/Plan Information and Reports**.



E. Changes to Account Balances

If employees want to make fund transfers or allocation changes on their account, they can do so 24/7 through their HRA participant portal.

II. Qualified Medical Child Support Order (QMCSO)

A Qualified Medical Child Support Order (QMCSO) is a judgment, decree or order that requires health benefit coverage for a child of a participant under a group health plan. The HRA honors QMCSOs that meet the legal requirements for such orders. It is important to note that a QMCSO cannot require a plan to provide a type or form of benefit, or an option that is not currently available from the plan to which the order is directed. A QMCSO must be provided to the Plan Sponsor to determine if it meets the legal requirements for a QMCSO. The Plan Sponsor must then notify the participant and the alternate recipient when the plan receives a medical child support order and must give them copies of the plan’s procedures for determining whether it is qualified. The Plan Sponsor must notify those parties of its determination whether or not the order is qualified.

Chapter 3: Reporting Calendar

Reporting Calendar

Report or Form	When Due	Report Recipient
Form 5500 Annual Report with appropriate Schedules	7 months after each Plan Year end (2 ½ month extension available)	DOL – provide copy to each Participant if requested in writing.
Form 5500EZ Annual Report (1 Participant with assets > \$100,000)	7 months after each Plan Year end (2 ½ month extension available)	DOL – provide copy to each Participant if requested in writing.
Summary Annual Report (SAR)	9 months after each Plan Year end (2 ½ month extension available)	Participants and Beneficiaries.
Form 1099-R distribution. (Recipients of distributions from Plan)	January 31st following Calendar Year of distribution	Participant receiving Copy to IRS w/ Transmittal Form 1096.
Form 945 (Annual Return of Withholding Federal Income Tax)	January 31st following year of withholding	IRS
Form 990	By 15th day of 5th month following Plan Year end	IRS

Chapter 4: Form 5500 Preparation

The following is a step-by-step guide to submitting Form 5500 should your plan require a filing. After year-end testing is completed, BPAS will prepare a Form **5500 Annual Return/Report of Employee Benefit Plan** for plans subject to ERISA.

For large plans requiring an annual independent audit, a draft Form 5500 will be prepared along with other compliance reports. Once completed, you will receive an email indicating that the audit package is available on a Secure File Transfer Protocol (SFTP) site.

I. Electronically Signing Form 5500

Once the Form 5500 has been prepared, BPAS will send an email notification that it is ready for an electronic signature as outlined below.

A. Electronic Signature Process:

1. Click on the **link provided in the email** or cut and paste the link to the browser
2. Upon accessing the site, enter the Login Name and Password provided. Once logged in, access to the Form 5500 Filing is provided.
3. **Select Plan Year** to access
4. Select **Print and Sign 5500** to view the form.
Review the form carefully.
 - If no changes are required, proceed to the next step
 - If changes are required, contact the Plan Consultant as soon as possible



Note: Any problems accessing the website or signing Form 5500 should be directed to the Plan Consultant.

5. **Print Paper Copy** of Form 5500. The Form 5500 **must** be printed before the form is signed electronically.
6. **Review and Sign Paper Copy** before filing
 - Once the filing has been reviewed and determined to be acceptable, sign the printed copy with a “wet” signature. Keep a signed copy in a safe place for your records.
 - Only the electronic copy will be sent once electronically signed.
7. **Enter/Review EFAST2 Credentials**
 - Verify Name, User ID, and PIN match exactly (including punctuation and spacing) with the credentials received from the DOL registration process
 - If it does not match exactly, click the Change Name button
8. **Sign and File Electronically**
 - Read: “Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct and complete.”
 - Select Sign 5500 button

- The filing status of the return will be immediately issued. If you receive a “Not Accepted” status, contact your BPAS Plan Consultant.

B. Additional Notes About Electronic Signature

- If you have not received Form 5500 electronic signing credentials, please visit www.efast.dol.gov/ to register as a signer.
- If the User ID or PIN has been lost or forgotten, please contact DOL EFAST2 support at 1-866-463-3278 or visit the website www.efast.dol.gov/ (click on **Login** and then **Forgot User ID** or **Forgot Password**).

Chapter 5: Plan Documents

This chapter reviews the importance of keeping the plan document updated with legislative changes and discretionary amendments.

The Employee Retirement Income Security Act of 1974 (ERISA) is governed by two Administrative Departments – the Department of Labor (DOL) and the Internal Revenue Service (IRS). Compliance with legislation is imperative to maintain tax qualifications for both the employer and participant alike.

I. Adherence to the Plan Document

During the conversion or establishment of the Plan, a decision to engage BPAS to provide document services or to hire another document provider will be made. If BPAS is not engaged for document services, forward a copy of your most recent plan document and any amendments.

- The **Plan Document** must be kept current with all **legislative changes** required by law. If BPAS provides document services, BPAS will keep the plan sponsor apprised of any such mandates.
- It is important to follow the terms of the Plan. If, at any time, you feel that your current plan provisions are not meeting your needs, please contact your Plan Account Representative. They will be able to discuss with you whether an amendment is needed.

II. Amendments

Requests for an amendment to the plan should be directed to the Plan Account Representative. Once the amendment is complete, you must distribute a Summary of Material Modifications (SMM) to all employees within 210 days after the end of the plan year in which the amendment is adopted.

Important Note:

If the Plan Document is written and maintained by an **outside provider**, please work with them directly for any mandatory or discretionary amendments. BPAS **cannot** amend a document that is maintained by an outside provider. Please forward a copy of all current documents and amendments to BPAS for proper administration of the Plan.

III. Summary Plan Description Updates (Applicable to plans subject to ERISA)

New employees must receive a copy of the most recent Summary Plan Description (SPD) within 90 days of satisfaction of the eligibility requirements of the Plan. Plan Sponsors are not required to file a copy of the SPD with Department of Labor (DOL), although they are required to furnish it upon request by the DOL.

If the Plan is amended or any change is made to the information in the SPD, each Participant and beneficiary must receive a Summary of Material Modifications (SMM). The SMM must be furnished within 210 days after the close of the plan year in which the modification was made.