

PNC Bank HSA Frequently Asked Questions

General questions

What prompted [BRAND] to move to a new HSA vendor-partner and custodian?

We are introducing a new spending account experience with improved web and mobile capabilities and enhanced notification and support tools that are designed to work in conjunction with an HSA from PNC Bank.

Do I have to move my HSA funds?

[BRAND] is notifying you so that you understand your options and can make the decision that is best for you. Moving your existing HSA funds is optional.

My employer directs contribution into my HSA. If I choose to keep my HSA at Acclaris or move it to a different custodian bank will my employer be able to continue to direct contributions?

If you move your existing HSA funds to a new, non-PNC custodian bank or keep them at Acclaris (Via Benefits) your employer will most likely not be able to add funds to that HSA.

Your new HSA from PNC Bank

How will I know when my new PNC HSA is open?

You will receive a welcome letter and new debit card package from PNC Bank. Upon receipt you can activate the card(s) by calling the number on the back of the card. Once the usage freeze has ended, you may also activate your accounts at [PORTAL_NM].

What does the new PNC Bank debit card look like?

The new blue MasterCard® debit card is labeled HEALTH SPENDING ACCOUNT. The number to call for spending account customer service is on the back of the card. Please note, the back of the card references Bancorp®. Bancorp is the card issuer.

When will the card be mailed?

The debit card(s) will be mailed approximately three weeks before the start of the new plan year. They will not be available for use until: the plan year starts; there are funds in the account; and the card is activated.

Will everyone who has a debit card today receive a new card?

Only the primary account holder and spouse, if applicable, will receive a new debit card. After the start of your new plan year, the primary account holder can order additional cards by calling the number on the back of their new PNC debit card.

Do I need to notify providers about automated payments I had set up before?

Yes. If you have any recurring payments scheduled with your current debit card during the freeze period, you should make alternative payment or scheduling arrangements with the vendor so your debit card payment is not declined.

Verification requests and customer identification process with the PNC Bank HSA

Why do I have to go through the customer identification process (CIP) again?

Under the PATRIOT Act, all financial institutions are required to perform CIP when opening new accounts, including HSAs. You will be notified by mail and/or email of any verification needed. It is critical that you respond to any verification requests in a timely fashion to ensure a smooth account opening and fund transfer process.

What are the impacts to my account opening and HSA funds transfer if I do not respond in a timely fashion with the information needed to clear CIP?

If the information required to verify your identify is not received (via fax or mail) two weeks prior to the usage freeze date noted in the attached letter, PNC Bank will be unable to open the new HSA. If the PNC HSA is not opened, your Acclaris HSA funds will remain at Acclaris and an individual HSA will be opened for you under their retail brand - Via Benefits. You will receive a new debit card and welcome kit. Please note that fees will apply if you subsequently choose to move your HSA to PNC Bank.

Complete a new beneficiary form

Do I need to complete a new beneficiary form for my new PNC Bank HSA?

Yes. Once your HSA with PNC Bank is open, you will need to complete the beneficiary information. To download the form, log in at [PORTAL_NM], click the *Spending Accounts* tab, then *Manage HSA*. Choose *Resources*, then *Forms and Documents*. If you do not assign a beneficiary, upon death, the HSA is liquidated and the assets become part of the estate.

Freeze period

Why is there such a long freeze period?

The freeze period allows time for account transactions to settle with the original HSA, movement of funds, and balance verification. There are two freeze periods that may impact you: a usage freeze and a contribution/investment freeze. Refer to the letter you received for dates of the freeze period.

What will I be able to do with my HSA during the usage freeze period?

During the account usage freeze period you can access [PORTAL_NM] for areas other than spending accounts. You will not be able to complete any HSA-related activities online for either your old or new HSA. Debit cards associated with the Acclaris HSA will be deactivated and you will not be able to use your newly issued PNC debit card. If you have qualified medical expenses you need to pay for during the usage freeze, you can use another form of payment and then process a reimbursement from your spending account once your account is available. Once your account is set up, your balance has been transferred, and you have activated your debit card, you can use the funds. Refer to the letter you received for dates of the usage freeze period.

How will medical claims work during the freeze period?

Any claims that would normally be available for payment by the HSA will continue to display on [PORTAL_NM]. However, HSA payment options will not be available until after the usage freeze period.

Will I have access to the Acclaris HSA after the transfer?

You will have access through [PORTAL_NM] to view your Acclaris, Inc. HSA transactions and tax statements for one year following the move to PNC.

Tax statements

How many tax statements should I receive?

An HSA custodian is required to provide a 1099-SA and a 5498-SA for any period when activities occurred. This means that you may receive up to four tax statements. You will have access to both your prior year statements from Acclaris, Inc. and your current statements from PNC Bank via [PORTAL_NM].

Is there a fee to receive a paper account and tax statement?

Yes, there is a paper statement fee of \$1.50 per month; however, the fee can be eliminated by changing your tax form and account statements delivery preferences to "electronic only" on the [PORTAL_NM].

Contributions and investments¹

Do contributions and investments have the same freeze period?

Yes. The contribution/investment freeze dates overlap. During this time, you will not be able to access investments, make changes to your investment portfolio, and neither you nor your employer will be able to make HSA contributions, if applicable.

How are investments being handled with the transition?

Any existing investments will be transferred in-kind, meaning there is no fund share liquidation. If there is market fluctuation either positive or negative, it will reflect in the balance of the investments that are transferred. Devenir, LLC will continue to provide brokerage services.

What if I want to avoid market fluctuation during the transition?

You have the option of liquidating investments up until noon ET on the date of the contribution/investment freeze period noted in the attached letter. If you liquidate your investments, the funds will be placed into your HSA cash account prior to the move to PNC Bank.

Will I be able to maintain current investments?

Current investments will transfer in-kind and will be marked as sell-only (there will be no ability to purchase additional shares) once the investments are connected to your PNC HSA. You will need to choose new investment fund allocations for any future investments.

Where can I see the new investment options?

The new investment options will be available in the investment area after the PNC Bank HSA is available online.

Does the investment minimum change?

No. The investment minimum remains at \$500.

Is there an investment account fee?

Yes, account holders who choose to open and maintain investment accounts will be charged a monthly investment account fee of \$2.50.

Will I be able to view investment history after the transition to PNC Bank?

Investment history with Acclaris will be available for one year following the move to PNC Bank. We recommend downloading electronic copies or printing copies for your records.

¹ [BRAND] does not offer tax or legal advice, or banking, investment, or financial services. HSA funds are maintained in accounts under the designated HSA custodians. The HSA custodians do not offer Blue Cross and/or Blue Shield products or services and are not affiliated with Independence.