



1. Reserve Account Invoicing*

(Requires Prefunding)

Based on total member annual plan elections (total plan liability) and the frequency of invoicing.

A percentage of the annual plan elections are held on the client's behalf as a reserve for claims funding.

Invoicing Frequency	Reserve Amount
Daily	Maintain 3% (auto-debit is required).
Weekly	Maintain 10% balance of annual plan liability without a debit card; 15% with card.
Monthly	Maintain 20% balance of annual plan liability (not available with a card).

2. Fully Funded

(Requires Prefunding)

HealthEquity clients will prefund the total member annual plan elections at the beginning of the plan year.

Funds are due upon receipt of invoice.

If auto-debit is set up, funds are debited two business days after invoice is generated.

3. Based on Allocations**

Only available for HRA and DCFSA plans.

HealthEquity invoices clients as member payroll deductions or employer funds are deposited into a member's account.

Based on set schedules:

- DCFSA = Payroll Schedule
- HRA = Determined by client

Funds are due upon receipt of invoice.

If auto-debit is set up, funds are debited two business days after invoice is generated.

4. Pay As You Go

This option is not available for plans that include HealthEquity Visa® Cards.

Clients are invoiced daily if they have claims that are payable.

When an invoice is generated, your account is auto-debited two business days later.



What is Prefunding?

- Prefunding means your organization delivers funds to HealthEquity to cover employee claims (claims funding).
- For the Reserve Account Invoicing option and Fully Funded option, your organization will fund either a portion or the entirety of your claims for the plan year.
- Due at the beginning of the plan year.
- Paid via electronic funds transfer (EFT also known as auto-debit) or check.
 - Non auto-debit plans must be paid through the HealthEquity client portal. Delays in payment can delay claim payments.
 - Auto-debit automatically pulls funds two days after an invoice is sent.
- Funds will not be rolled into next year's funding.
 - Remaining funds returned after 30-90 days after Runout.
 - Returned via EFT or check.

*Reserve account invoicing: Based on total annual plan liability and the frequency of invoicing, HealthEquity requests a percent to be held on the employer's behalf as a reserve. Reserve account funds are tracked by plan year, at the beginning of your new plan year HealthEquity will request funds for a new reserve account. Funds will be returned to you after Runout. As claims are processed each day, HealthEquity pays them from this reserve fund. Employer receives a replenishment request email notification (according to invoicing frequency) asking that the reserve amount be brought back up to the target percentage. This method provides the fastest means of claims payment and is preferred.

** Funding based on allocation files: Employers wishing to fund their plan liability in coordination with their payroll calendar select this option. Using the funding wizard on HealthEquity's employer portal, employers upload a file or enter funding amounts. An invoice is generated and viewable on the portal for these funding amounts. Funds on deposit is used daily to pay claims.