



# ACH Process Instructions

Please provide these instructions to your payroll service or vendor.

Would you like to utilize your payroll service or vendor for ACH contributions? Through HSA Bank’s Direct ACH option, you are able to utilize your current payroll service or vendor to make contributions to your employee’s health savings accounts. As an added benefit, HSA Bank has developed a tracking mechanism to distinguish between employer, employee pre-tax through a cafeteria plan, and employee after-tax contributions.

## ACH Format Requirements as defined by NACHA (National Automated Clearing House Association)

| Field                              | 1                | 2                | 3                            | 4           | 5                  | 6                | 7                                | 8               | 9                  | 10                       | 11           |
|------------------------------------|------------------|------------------|------------------------------|-------------|--------------------|------------------|----------------------------------|-----------------|--------------------|--------------------------|--------------|
| <b>Data Element Name</b>           | Record Type Code | Transaction Code | Receiving DFI Identification | Check Digit | DFI Account Number | Amount           | Individual Identification Number | Individual Name | Discretionary Data | Addenda Record Indicator | Trace Number |
| <b>Field Inclusion Requirement</b> | M                | M                | M                            | M           | R                  | M                | O                                | R               | O                  | M                        | M            |
| <b>Contents</b>                    | '6'              | Numeric          | TTTTAAAA                     | Numeric     | Alphanumeric       | \$\$\$\$\$\$\$€¢ | Alphanumeric                     | Alphanumeric    | Alphanumeric       | Numeric                  | Numeric      |
| <b>Length</b>                      | 1                | 2                | 8                            | 1           | 17                 | 10               | 15                               | 22              | 2                  | 1                        | 15           |
| <b>Position</b>                    | 01-01            | 02-03            | 04-11                        | 12-12       | 13-29              | 30-39            | 40-54                            | 55-76           | 77-78              | 79-79                    | 80-94        |

*Taken from the WACHA (Wisconsin Automated Clearing House Association) Operating Rules, Appendix two, Subsection 2.1.16.)*

### What does HSA Bank Need?

#### Field 1, 4, 7, 10, & 11

Complete fields 1, 4, 7, 10, & 11 as required for file processing.

#### Field 2: Transaction code

The transaction code should be set to SAVINGS CREDIT.

#### Field 3: Receiving DFI Identification

HSA Bank’s DFI or routing number is 075907947

#### Field 5: DFI Account Number

The DFI Account Number is the individual’s health savings account number. The account number can be obtained from the employees directly or you can make arrangements with HSA Bank to obtain the account numbers in coordination with your group’s enrollment.

#### Field 6: Amount

The amount should only include the amount of the contribution from the specific source. If contributions are being made by both the employee and employer, you will need to include two separate entries with the specified amount for each.

#### Field 8: Individual Name

The individual name is the name of the employee/accontholder.

#### Field 9: Discretionary Data

This field is in the Entry Detail Record and allows financial institutions to include codes, of significance only to them, to enable specialized handling of the entry. There will be no standardized interpretation for the value of this field.

The discretionary data field is used by HSA Bank to determine the type of contribution being made. The table to the right provides a list of codes for field 9 based on the type of contribution and year of contribution.

| Type   | Code for Field 9<br>(Current Year Contribution) | Code for Field 9<br>(Prior Year Contribution) |
|--|---|---|
| Employer                                     | ER  | PR  |
| Employee Pre-tax<br>(through Cafeteria Plan) | EX  | PX  |
| Employee After-tax                           | EE  | PE  |