

Employee Health Savings Account Funding Process

Employees who elect to take the High-Deductible Health Care Plan **may** also choose to contribute to their personal Health Care Savings Account (H S A) through payroll deductions. Below are steps to deduct and fund H S A accounts if an employee chooses to fund their H S A account.

1. **EMPLOYEE** either through the annual health care enrollment or by logging into their RETA Enroll account sets up or changes their H S A funding amount. This action establishes or changes the employee's H S A amount in the RETA system who retains the information and communicates to Health Equity, who, in turn, manages the employee H S A accounts.
2. **HEALTH EQUITY** creates an account number for the employee's H S A funding account and communicates it to the DIOCESAN BENEFITS COORDINATOR.
3. **DIOCESAN BENEFITS COODINATOR** provides the H S A account number and bank routing number for Health Equity to the PARISH BUSINESS MANAGER and copies the PAYROLL PROCESSING TEAM.
4. ***PARISH BUSINESS MANAGER** sets up a H S A liability (2175 sub account in their accounting system) and communicates the liability account number to their PARISH PAYROLL PROCESSOR for setup in payroll. The account is necessary for tracking H S A deductions from an employee's payroll and payments to Health Equity.
5. **PARISH BUSINESS MANAGER** should ask employees to report any health care changes so those updates can be included on the monthly payroll spreadsheet.
6. **PARISH PAYROLL PROCESSOR** (diocese) runs the H S A report in RETA to access the current H S A deduction amounts prior to each monthly payroll, confirms amounts provided by PARISH BUSINESS MANAGERS on their monthly payroll spreadsheet, and enter the deduction amount into each employee's individual monthly payroll.
7. ****PARISH BUSINESS MANAGER**, within the first 10 days following each payroll, logs into their bank and creates an ACH transaction through their bank to transfer the amounts deducted for each employee from the monthly payroll to Health Equity to fund each employee's account.

**If a parish contracts with the diocese to perform their bookkeeping this step is performed by the PARISH PAYROLL PROCESSOR*

***If a parish contracts with the diocese to perform their H S A funding, then this step is performed by the PARISH PAYROLL PROCESSOR*