Why does HSA Bank require receipts for debit card transactions?

The IRS has established specific guidelines that require all FSA and HRA transactions — including those made with your HSA Bank Visa® Health Benefits Debit Card — to be substantiated (verifying the purchase was for an IRS-qualified medical expense).

HSA Bank's Substantiation Process

There are two ways purchases may be substantiated in compliance with IRS requirements:

1

Auto-Substantiation

Substantiation may be made automatically via electronically-furnished proof. Transactions can be auto-substantiated when the employer-sponsored plans have copays associated with their medical, dental, and/or vision plans. Amounts equal to a copay at the provider will auto-substantiate. In this situation, HSA Bank will not require you to submit documentation.

Auto-substantiation can also occur when using a merchant that is IIAS (Inventory Information Approval System) certified. This means the merchant's system has the ability to verify the prescription or item purchased with a debit card is an eligible expense as defined by the IRS.

2

Manual Substantiation

All purchases that do not qualify for auto-substantiation must be manually substantiated with receipts or other documentation submitted for review.

What Does This Mean for You as a Cardholder?

It means that you should save your receipts every time you use your debit card for a qualified medical expense. For those debit card purchases that cannot be auto-substantiated at the point of sale, you will be required to submit documentation to support the claim. Without the proper proof, we cannot approve your claim, and you will be required to repay the plan for the amount of the debit card transaction or the amount will become taxable income.

How to Properly Prepare Your Receipts

In order for HSA Bank to approve a claim, you must submit a receipt or EOB with the following information.

1. **Patient Name:** Name of person for whom product/service was purchased.

2. **Provider Name:** Name of provider or merchant of service or product.

3. **Date of Service:** Date service was performed or item purchased.

4. **Type of Service:** Detailed description of service provided or item purchased.

5. **Cost:** Amount paid for product/service and/or portion not covered by your insurance.

Additional Receipt Requirements

- Make sure the receipt is legible; no information missing or cut off, especially if you are using the mobile upload feature.
- Do not submit cancelled checks or cash register/credit card receipts.

Why Would You Receive a Reminder Letter?

For those times when auto-substantiation is not possible, we will send you a letter reminding you to submit the proper documentation. Until we receive the proper proof, we cannot approve your claim.

How to Send Receipts to HSA Bank

There are several different ways you can submit your information to HSA Bank. You may send a copy of the letter along with your documentation via fax, US mail, the Member Website, or the mobile app. (Fax number and address are on the receipt request reminder notice.)

Please call the number on the back of your HSA Bank debit card or visit us at www.hsabank.com

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