

Contribution File Process

Fidelity HSA[®] Job Aid



PSW[®] File Processing Procedures

As part of your HSA program, all employee and contribution data that is sent to Fidelity is checked and compared against the data in our system for potential conflicts. This helps ensure operational quality control.

There are three major processes: 1) Contribution File Process 2) Enrollment File Process and 3) Indicative Data Process. During each of these processes, there are three types of data errors that Fidelity may identify.

Below is a summary of each and what they mean:

Critical Errors:

Serious errors that must be addressed before the contributions process can continue. They can be fixed or deleted.

Warnings:

A warning is a data discrepancy that may indicate a potential problem or issue, and we need you to tell us how to proceed. Less severe than critical errors; they can be fixed, approved without fixing, or deleted.

Fidelity Corrected Errors:

These are errors that cannot be corrected on PSW[®] and will not be addressed in this document. To correct them, you must send a Service Request to Fidelity using PSW[®].

Contribution File Process Overview

Specifically related to the Contribution File Process, below are “Critical Errors” and “Warnings” you might encounter.

Critical Errors occur in the following situations:

- HSA has not been opened or is not in good order.
- HSA enrollment record is not found or there is no record of the account holder.
- Prior year IRS tax deadline has passed.
- Contribution will exceed the IRS family coverage limit.
- Employee has not reached their HSA effective date.
- Negative contribution is being sent.

Warnings occur when:

- You send a contribution for an employee who has an inactive HSA enrollment status. This may be due to an HSA contribution being withheld from a terminated employee’s final paycheck.

Important: Errors must be addressed for the contributions process to be completed. If errors are not corrected, there could be a negative impact.

Some potential negative outcomes are additional processing time which causes delays, reporting errors, and disruption or confusion for the employee.

The table below provides guidance on the steps to take to resolve each.

Resolutions For Common Contribution File Process Errors

PSW® Error Message	What It Means	Action in PSW®	Detailed Client Actions	Account Holder Actions
No record of employee.	<ul style="list-style-type: none"> • Contributions have not been credited to the employee account. • Indicative data has not been received; a shell account has not been established. • Indicative data and enrollment information needs to be received (and HSA established) before contributions can post. 	<ul style="list-style-type: none"> • Delete contribution to move forward with updating the contribution file. 	<ul style="list-style-type: none"> • Delete the error from the file. • Once deleted, you can either refund the funds to the impacted employee or hold the funds until the error is resolved. • You will need to send the indicative data and the enrollment information and allow the account to be opened. • Once the required steps are completed, the contributions can be resent if applicable. The Account Status Feedback Report can be used to monitor account opening status. 	<ul style="list-style-type: none"> • The employee needs to open the account. Have the employee log into NetBenefits® to complete the online HSA account opening application.

Resolutions For Common Contribution File Process Errors

PSW® Error Message	What It Means	Action in PSW®	Detailed Client Actions	Account Holder Actions
HSA enrollment record not found.	<ul style="list-style-type: none"> Contributions have not been credited to the employee account. The enrollment (HS) record has not been established. Enrollment information needs to be received (and HSA established) before contributions can post. 	<ul style="list-style-type: none"> Delete the contribution to move forward with updating the contribution file. 	<ul style="list-style-type: none"> Send the enrollment information and allow the account to be opened. If the account is already open, then the enrollment record should be added, and the file resubmitted. If the account has not been opened, the error should be deleted. The Account Status Report can be used to monitor account opening status. 	<ul style="list-style-type: none"> If the account has not been opened, have the employee log into NetBenefits® to complete the online HSA account opening application once the enrollment record has been received..
HSA has not been opened.	<ul style="list-style-type: none"> Contributions have not been credited to the employee account; the HSA has not been opened. The account must be opened in good order before contributions can post. 	<ul style="list-style-type: none"> Delete the contribution to move forward with updating the contribution file. 	<ul style="list-style-type: none"> Delete the error from the file. Once deleted, you can either refund the funds to the impacted employee or hold the funds until the error is resolved. Resend the contribution record when the account has been opened and is listed as 'Ready For Funding'. The Account Status Report can be used to monitor account opening status. 	<ul style="list-style-type: none"> Have the employee log into NetBenefits® to complete the online HSA account opening application.
HSA not in good order.	<ul style="list-style-type: none"> Contributions have not been credited to the employee account. Although there is an active enrollment record and the HSA has been established, the HSA Brokerage is considered restricted and not in good order. The restriction needs to be reconciled before contributions can post. 	<ul style="list-style-type: none"> Delete the contribution to move forward with updating the contribution file. 	<ul style="list-style-type: none"> Delete the error from the file. Submit file for the next preliminary cycle. Once deleted, you can either refund the funds to the impacted employee or hold the funds until the error is resolved. Once the account is in good order, the account holder contributions can be resubmitted with the next contribution batch or individually. 	<ul style="list-style-type: none"> The employee is sent a letter via USPS if their account has an issue that needs to be addressed. Employees can contact Fidelity's HSA Customer Service Center at 800-544-3716 to address the issue.

Resolutions For Common Contribution File Process Errors

PSW® Error Message	What It Means	Action in PSW®	Detailed Client Actions	Account Holder Actions
Employee's HSA effective date is not yet in effect.	<ul style="list-style-type: none"> Contributions have not been credited to the employee account. Contributions cannot be sent prior to the HSA effective date. 	<ul style="list-style-type: none"> Delete the contribution to move forward with updating contribution file immediately. 	<ul style="list-style-type: none"> Confirm the enrollment effective date on file is correct. If the enrollment effective date is incorrect, the effective date should be updated, and the file resubmitted to clear the error. If it is correct, delete the error. You can either refund the funds to the impacted employee or hold the funds until the HSA enrollment effective date and resend the contribution. 	
Inactive HSA enrollment status.	<ul style="list-style-type: none"> The contribution will update to the employee account, unless deleted from the file. An enrollment (HS) record should be in active status for contributions to post. However, trailing contributions are accepted for inactive enrollments until the IRS tax deadline date. 	<ul style="list-style-type: none"> If the contribution is valid, you can choose, approve without changes, to allow the contribution to post. If contribution is invalid, delete the contribution to move forward with updating the file. 	<ul style="list-style-type: none"> Confirm that the HSA status on file is correct. If the status is incorrect, the status should be updated, and the file resubmitted to clear the error. If the status is correct and the contribution should not be processed, the error should be deleted. 	
Negative contributions are not permitted	<ul style="list-style-type: none"> Contributions have not been debited from the employee account. Negative amounts are not a valid way of removing or deducting funds from an employee's account. 	<ul style="list-style-type: none"> Delete contribution; negative contributions cannot be accepted. 	<ul style="list-style-type: none"> Delete the error from the file. Once deleted, the client must reconcile contribution corrections within their payroll processing group; sending negative values is not a valid means to correct a contribution issue. Submit a service request to process the reversal. 	

Resolutions For Common Contribution File Process Errors

PSW® Error Message	What It Means	Action in PSW®	Detailed Client Actions	Account Holder Actions
Holding account contributions expired and must be returned after 90 days.	<ul style="list-style-type: none"> Once the employee has utilized the 90-day holding period, Fidelity cannot accept contributions if the account is not in good order. The account must be opened in good order before contributions can post. Contributions have not been credited to the employee's account. 	<ul style="list-style-type: none"> Delete the contribution to move forward with updating contribution file. 	<ul style="list-style-type: none"> Delete the error from the file. Submit file for the next preliminary cycle. Once deleted, you can either refund the funds to the impacted employee or hold the funds until the error is resolved. Once the account is in good order, the account holder's contributions can be resent with the next contribution batch or individually. 	<ul style="list-style-type: none"> The employee is sent an email explaining that we have received funds on behalf of their HSA, but their account is not ready to receive funding. Based on their account status, employees need to either visit NetBenefits® to initiate their account opening or contact Fidelity's HSA Customer Service Center at 800-544-3716 to address the issue.
Contribution balance will exceed IRS limit	<ul style="list-style-type: none"> Contributions have not been credited to the employee account. Accepting this contribution would bring the HSA year-to-date contributions to an amount greater than the IRS family coverage limit and/or any catch-up contribution amount if applicable. The full amount of the contribution is rejected, partial contributions will not be processed. 	<ul style="list-style-type: none"> Delete the contribution to move forward with updating contribution file. 	<ul style="list-style-type: none"> Delete the error from the file. Once deleted, you should refund the funds to the impacted employee. You may work with the impacted employee to confirm the maximum contribution to bring the YTD contribution balance to the IRS limit. Fidelity cannot provide the prorated contribution amount. If appropriate, resend the prorated contribution. 	

Resolutions For Common Contribution File Process Errors

PSW® Error Message	What It Means	Action in PSW®	Detailed Client Actions	Account Holder Actions
Prior year IRS tax deadline has passed	<ul style="list-style-type: none"> Contributions have not been credited to the employee account. Contributions cannot be accepted past the IRS tax deadline. 	<ul style="list-style-type: none"> Delete contribution to move forward with updating the contribution file. 	<ul style="list-style-type: none"> You can either refund the funds to the impacted employee or resend the contribution for the current year if allowable. If you choose to refund the contribution, the error should be deleted. If you wish to credit to the current year, you can edit the record through the Add or Edit contribution data on PSW® and resubmit. <i>*Please note that there will be an impact to the limit for the current year should you choose this route.</i> 	
Invalid contribution amount.	<ul style="list-style-type: none"> Contributions have not been credited to the employee's account. A correct contribution amount must be provided for contributions to post. 	<ul style="list-style-type: none"> Fix or delete the contribution to move forward with updating the contribution file. 	<ul style="list-style-type: none"> This is a formatting error. The individual record can be fixed by using the Add or Edit contribution data in PSW®. If there are a large number of errors, it is recommended that the entire file be deleted and resent with the correct format. 	
Invalid or missing check date.	<ul style="list-style-type: none"> Contributions have not been credited to the employee's account. The check date cannot be future dated. 	<ul style="list-style-type: none"> Fix or delete the contribution to move forward with updating contribution file. 	<ul style="list-style-type: none"> This is a formatting error. The individual record can be fixed by using the Add or Edit contribution data on PSW®. If there are a large number of errors, it is recommended that the entire file be deleted and resent with the correct format. 	

Resolutions For Common Contribution File Process Errors

PSW® Error Message	What It Means	Action in PSW®	Detailed Client Actions	Account Holder Actions
Invalid or missing SSN.	<ul style="list-style-type: none"> Contributions have not been credited to the employee's account. A valid SSN is required. 	<ul style="list-style-type: none"> Fix or delete the contribution to move forward with updating the contribution file. 	<ul style="list-style-type: none"> This is a formatting error. The individual record can be fixed by using the Add or Edit contribution data on PSW®. If there are a large number of errors, it is recommended that the entire file be deleted and resent with the correct format. 	
Invalid or missing tax year.	<ul style="list-style-type: none"> Contribution will not be processed. A valid tax year must be provided in YYYY format. 	<ul style="list-style-type: none"> Delete the contribution to move forward with updating the contribution file. 	<ul style="list-style-type: none"> This is a formatting error. The individual record can be fixed by using the Add or Edit contribution data on PSW®. If there are a large number of errors, it is recommended that the entire file be deleted and resent with the correct format. 	
Invalid or missing source.	<ul style="list-style-type: none"> Contribution will not be processed. A valid source is required. 	<ul style="list-style-type: none"> Fix or delete the contribution to move forward with updating the contribution file. 	<ul style="list-style-type: none"> This is a formatting error. The individual record can be fixed by using the Add or Edit contribution data on PSW®. If there are a large number of errors, it is recommended that the entire file be deleted and resent with the correct format. 	
Invalid or missing contribution amount.	<ul style="list-style-type: none"> Contribution will not be processed. 	<ul style="list-style-type: none"> Fix or delete the contribution to move forward with updating the contribution file. 	<ul style="list-style-type: none"> This is a formatting error. The individual record can be fixed by using the Add or Edit contribution data on PSW®. If there are a large number of errors, it is recommended that the entire file be deleted and resent with the correct format. 	
Invalid contribution amount.			<ul style="list-style-type: none"> If there are a large number of errors, it is recommended that the entire file be deleted and resent with the correct format. 	

Resolutions For Common Contribution File Process Errors

PSW® Error Message	What It Means	Action in PSW®	Detailed Client Actions	Account Holder Actions
Element does not match the required length.	<ul style="list-style-type: none"> Contribution will not be processed due to formatting errors. 	<ul style="list-style-type: none"> Delete the file and resend with the corrected formatting. 	<ul style="list-style-type: none"> This is a formatting error. A field is missing the required number of characters (e.g. the leading zero on a program number has been dropped, or the source code is only one digit). 	
A mismatch was found between the user's stated intention and the content of the file.	<ul style="list-style-type: none"> Contribution will not be processed due to formatting errors. 	<ul style="list-style-type: none"> Delete the file and resend with the corrected formatting. 	<ul style="list-style-type: none"> This is a formatting error. This typically indicates the program number is not five digits. 	
The number of delimiters does not match the expected number of delimiters defined in the layout.	<ul style="list-style-type: none"> Contribution will not be processed. 	<ul style="list-style-type: none"> Delete the file and resend with the corrected formatting. 	<ul style="list-style-type: none"> This is a formatting error. Delimiters are what separate columns in text files. This error may occur when the template is modified by added or removing columns. 	

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