

# Split payment process

As you swipe your Optum Financial payment to pay for vision, dental or other eligible medical expenses using your health account funds, Optum Financial works hard to quickly process your claims.



So, what happens when you don't have enough funds in one account to cover a certain expense? Some merchants have the ability to submit a "split payment" transaction. This applies to account holders with a Health Savings Account (HSA) and a Limited Purpose Flexible Spending Account (LPFSA) or General Purpose Flexible Spending Account (GPFSA).

## How does this work?

If you have an LPFSA and HSA and you swipe your card for any vision or dental expense, based upon the merchant's point of sale technology, the funds will withdraw from your LPFSA first, until it reaches a \$0 balance, and then withdraw from your HSA.

For any eligible expenses not related to vision or dental (e.g., medical, prescription) the funds will automatically withdraw from your HSA.

Once you meet the minimum annual deductible set by your health insurance plan, your LPFSA will convert to a GPFSA. At this point, use of these funds is no longer limited to vision and dental, and your GPFSA can be used to pay for other qualified medical expenses processed after the date you met your medical deductible.

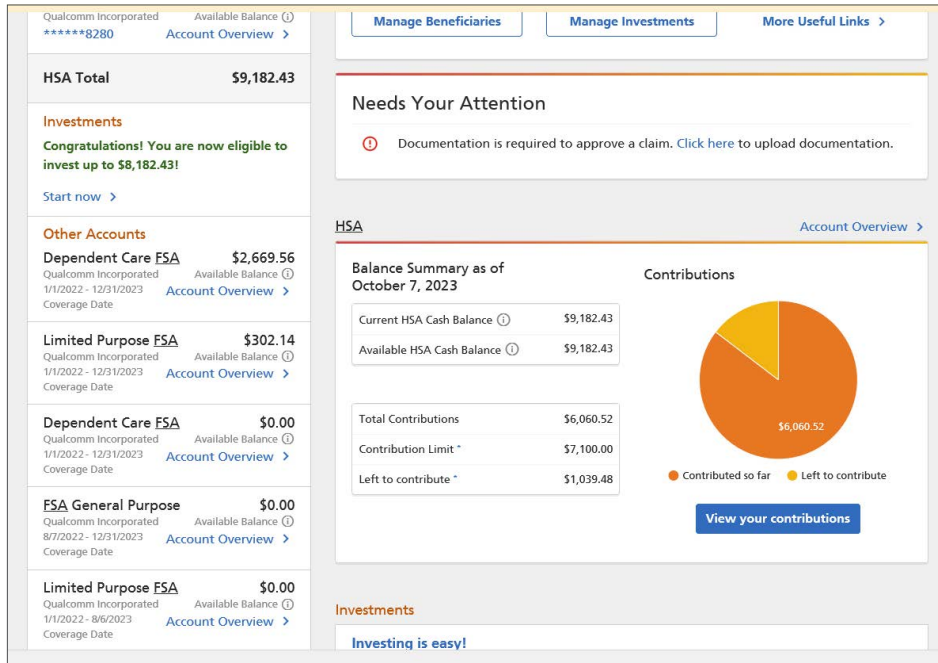
Once you have an HSA and GPFSA, if you swipe your card at a qualified merchant for any eligible expense, the funds will pull from your GPFSA first until your balance reaches \$0, and then withdraw from your HSA.

If you swipe your card for a transaction that is larger than the balance in your FSA, a split payment will be used to process the claim. It will split the transaction between your accounts automatically – as long as you have enough funds in both accounts to cover the cost.

## Note:

Unlike card transactions, manual claims do not automatically split between accounts. Instead, if there are not enough funds in the account to cover the transaction total, the claim will only be processed up to the available balance. The remainder will be denied due to ineligible funds.

## Split payment



### Example scenario

Jane visits her neighborhood pharmacy and uses her payment card to pay for prescription contact lenses. Her transaction total is \$95. Because the item is an eligible vision-related expense, the claim is first processed using LPFSA funds. However, her LPFSA balance is currently \$65. Because of this, the claim processes as a split payment – \$65 is withdrawn from her LPFSA, and the remaining \$30 from her HSA balance.

Sign in to [optumbank.com/qualcomm](https://optumbank.com/qualcomm) to view the balance in each of your health accounts. In this example, if the account holder submitted a claim that was an eligible vision or dental expense greater than \$302.14, the claim would first withdraw funds from the LPFSA until the balance reached \$0, and the remaining would be withdrawn from the HSA.

**Note:** You may see multiple of the same FSA type listed on your account dashboard. Each plan year will be listed separately, with an individual balance. In this example, the account holder used all 2023 funds, so their 2023 LPFSA balance is \$0.

### Important reminder: All claims must be substantiated

You may be asked to provide documentation to verify a payment card purchase (called “substantiation”). The IRS requires us to confirm that each transaction meets the requirements for an eligible health care expense.

#### Card transactions can be automatically substantiated without additional paperwork if they are:

- Copayment amounts tied to your medical, dental or vision plan.
- Transactions that match the provider and dollar amount exactly for previously approved transactions (e.g., orthodontia claims, maintenance prescription drugs). If it is a recurring transaction, auto-substantiation will last for 12 months after you send in documentation for the first claim. After 12 months, you will be asked to resubmit documentation.
- Purchases made at merchants using the Inventory Information Approval System (IIAS). For more information on IIAs visit [sig-is.org](https://sig-is.org).

In the event the charge does not meet these criteria, you will be sent three requests for documentation via email or letter. These requests are generally sent five, 20 and 45 days after the date of purchase and will only be sent until documentation is received.

Should a charge remain unsubstantiated for 60 days after the date of the card transaction, your payment card will be temporarily inactivated. It will be reactivated as soon as necessary documentation has been received.

## How to substantiate a claim

Sign in to your account at [optumbank.com/qualcomm](https://optumbank.com/qualcomm) to view outstanding claims and transaction details in the “Needs Your Attention” section of your account dashboard. Select the link to upload a receipt to validate the expense.

Please ensure the documentation you submit is legible, from a third-party provider (e.g., doctor, pharmacy) and contains the following:

- Date(s) of service
- Itemized list of purchases
- Name of merchant or health care professional
- Dollar amount(s) (after insurance, if applicable)

An Explanation of Benefits (EOB) is the ideal document to use to substantiate a transaction, as it contains all the information listed above.

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## Have questions? We're here to help.

Please visit [optumbank.com/qualcomm](https://optumbank.com/qualcomm) or call **1-800-243-5543**

## Optum Financial®

Health savings accounts (HSAs) are individual accounts offered through Optum Bank®, Member FDIC. HSAs are subject to eligibility requirements and restrictions on deposits and withdrawals to avoid IRS penalties. State taxes may apply. Fees may reduce earnings on account.

Flexible spending accounts (FSAs) (“Employer-Sponsored Plans”) are administered on behalf of your plan sponsor by Optum Financial, Inc. (“Optum Financial”) and are subject to eligibility and restrictions. Employer-Sponsored Plans are not individually owned and amounts available under the Employer Sponsored Plan are not FDIC insured.

This communication is not intended as legal or tax advice. Federal and state laws and regulations are subject to change. Please contact a legal or tax professional for advice on eligibility, tax treatment, and restrictions. Please contact your plan administrator with questions about enrollment or plan restrictions.