

# Customer Information Program (CIP) Overview



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## What is CIP?

A Customer Identification Program (CIP) is a United States requirement where financial institutions must verify the identity of individuals wishing to conduct financial transactions with them. The implementation of these programs is a provision of the USA Patriot Act.

Each HSA application that is submitted to WealthCare Admin is subject to the CIP process.

There are three components of the CIP process:

1. OFAC – Office of Foreign Assets Control
  - a. Applicants are vetted to ensure they are not on the federal government list(s) of known and suspected terrorists and terrorist organizations.
  - b. Mandatory for all applicants.
2. IDV – Identity Verification
  - a. Demographic information submitted on the application is compared to public records for that individual.
  - b. Mandatory for all applicants.
3. IDA – Identity Authentication
  - a. Applicants who enroll using the WCP online application are presented with 4 'out of pocket' multiple choice questions; for example, "With which financial institution did you have your last auto loan?"
  - b. Can be used in conjunction with IDV or as a backup in the event of an IDV failure.

The financial institution chooses the data points in which applicant's information is matched against.

## Exceptions/Failures

During the process, an applicant may fail if the information submitted differs from the information stored in the vetting database. In those cases, the financial institution will reach out directly to the applicant and request additional documentation. The type of documentation depends on the data point that caused the failure.

Typical documentation requested includes:

1. Proof of Identification:
  - State issued driver's licenses (temporary/paper versions are unacceptable)
  - State issued non-driver or identification card
  - U.S. issued passport
  - Other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard to the extent allowed by law or regulation.
2. Proof of Social Security Number (SSN)
  - Color copy of original SSN card

3. Proof of Address
  - Copy of a recent utility bill
  - Copy of a current residential lease agreement
  - Copy of a current mortgage bill or statement

If the requested document is not received, the bank will deny the application and the individual will need to reapply online or you can submit the enrollment again in the same manner you originally did whether that be by EDI file or through the user interface.

The following table details the possible scenarios which could occur during the process.

| <b>Possible Scenarios</b>  |
|--|
| <p><b>Scenario One – Applicant Satisfies CIP</b></p> <ul style="list-style-type: none"> <li>○ Applicant passes Identification Verification (which includes OFAC)</li> <li>○ Notification received in the Alegeus WealthCare Administrative portal (WCA)</li> <li>○ Application approved</li> <li>○ Account opened and “Welcome Kit” sent</li> </ul>  |
| <p><b>Scenario Two – Applicant Does Not Satisfy CIP</b></p> <ul style="list-style-type: none"> <li>○ Applicant fails IDV</li> <li>○ Notification of IDV failure received in WCA               <ul style="list-style-type: none"> <li>○ Application requires bank review</li> <li>○ Consumer account status set to “Pending”</li> <li>○ Letter notification process informing the end consumer that additional verification is required is initiated                   <ul style="list-style-type: none"> <li>▪ Letters sent 1, 15, and 90 business days after application processed</li> </ul> </li> </ul> </li> <li>○ Consumer account status manually updated to “Awaiting Additional Information”</li> <li>○ Documents received from applicant               <ul style="list-style-type: none"> <li>○ Documents reviewed by custodial bank</li> <li>○ Application approved or denied (as instructed by bank)</li> </ul> </li> <li>○ If application approved by bank               <ul style="list-style-type: none"> <li>○ Application manually approved</li> <li>○ Consumer account status is set to “Active”</li> </ul> </li> <li>○ If application is denied by the bank               <ul style="list-style-type: none"> <li>○ Option 1: application denied</li> <li>○ Option 2: application denied/reapply allowed</li> </ul> </li> </ul> |
| <p><b>Scenario Three – Applicant’s Information Cannot Be Verified</b></p> <ul style="list-style-type: none"> <li>○ Suspicious Activity Suspected               <ul style="list-style-type: none"> <li>○ Yes – Bank Compliance Officer notifies bank and advises if Suspicious Activity Report (SAR) should be filed</li> <li>○ No                   <ul style="list-style-type: none"> <li>▪ CIP docs failed twice and the application is denied</li> <li>▪ CIP docs did not fail twice. Ask the account holder to resubmit documentation</li> </ul> </li> </ul> </li> </ul>   |

## Locating Exception/Failures:

To identify applications that have and have not passed the vetting process the follow methods are recommended:

- HSA Account Details Report
  - Applications that have failed the vetting process will be in a "Requires Bank Review" or "Awaiting Additional Information" partner status.
  - Accounts that have successfully been established will be in a "New" or "Active" partner status.

\* Schedule this report to generate daily and you will be able to track all failed applications as well as newly established accounts.

- Within Wealthcare Admin, view the individual account detail for the applicant.
  - Navigate to the individual's home page
  - Click on the hyperlink Account Type "ABH" or "AB2"

| 580-18-9998             | Teree's TPA                  | Demo Group                    | TNODEM03                       | Active                   |
|-------------------------|------------------------------|-------------------------------|--------------------------------|--------------------------|
| STATUS                  | ELIGIBILITY DATE             | TERMINATION DATE              | USER ID                        | REIMBURSEMENT METHOD     |
| New                     |                              |                               |                                | Check                    |
| <a href="#">Home</a>    | <a href="#">Demographics</a> | <a href="#">Accounts</a>      | <a href="#">Cards</a>          | <a href="#">Statuses</a> |
| <a href="#">History</a> | <a href="#">Enter Claim</a>  | <a href="#">Enter Deposit</a> | <a href="#">Communications</a> |                          |

| Type | Plan Date                        | PlanId | Current Yr Contrib | Current Yr Dist | Current Balance | Holds  | Acct Avail Balance | Portfolio Balance | EE Acct Status / HSA/VEBA Account Status |
|------|----------------------------------|--------|--------------------|-----------------|-----------------|--------|--------------------|-------------------|--|
| AB2  | Start:1/1/2015<br>End:12/31/2099 | HSA    | \$25.00            | \$0.00          | \$17.01         | \$0.00 | \$17.01            | \$0.00            | New / Active                             |

1 Account found.

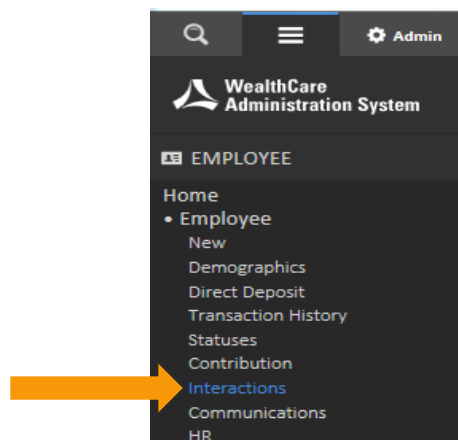
- The account detail will open and display the partner status

|                                      |                            |
|--------------------------------------|----------------------------|
| Product Partner Name:                | Avidia Bank                |
| Product Partner Account Number:      | XXXXXXXXXXXXXXXXXXXX2071   |
| Product Partner Account Hold Status: | Application Approved       |
| Product Partner Account Status:      | Active                     |
| Product Partner Account Open Date:   | 10/27/2015                 |
| Product Partner Account Close Date:  |                            |
| Product Partner Error Code:          | (25) Success - New account |

If vetting has failed, the status will reflect "Awaiting Additional Information" or "Requires Bank Review"

## What you, as the Administrator can do

Once a request has been sent to the applicant, an interaction is recorded on the account holder's individual record can be viewed in WCA.



You can submit documents on behalf of the applicant. However, by accepting the documents and providing a copy, you become liable for the validity of the documents. The documents would still need to be reviewed by the bank's operations team to make the final determination of whether the account is open or denied.

If you have a need to intervene on behalf of the applicant, your Alegeus Service Delivery Manager should be contacted.

Below are some typical reasons you may want to contact your Service Delivery Manager. The below are not inclusive of every scenario and contact should be made when you need assistance:

- The applicant/participant is stating they sent in the documentation but the account has not been opened
- The applicant is stating they never received a request for additional documentation and the account has not been opened
- The timeframe for submission of the documentation has passed and the account is still pending

In most cases your Service Delivery Manager will be able to provide the information you need. However, because these accounts are bank accounts, there may be times when they are not able to provide the requested information or may have to research with Avidia.

## FAQs

- **How can I check the status of an enrollment I've submitted or an application that was completed online?**
  - An HSA Account Detail Report will provide this information.
  - The information is also available by viewing account details in WCA
- **Can I submit the requested documentation on behalf of the applicant?**
  - Yes; however, by doing so, you become liable for the validity of the documents.
- **If I submit the documentation, does that mean the account will be opened?**
  - The Bank Officer will still need to review and will make the final determination.
- **Once the documentation is received by the bank, how long will it take to review?**
  - All submissions are reviewed within 24 hours.
- **What are the methods that documentation can be submitted by our offices or by the applicant?**
  - Documentation can be submitted by either party in the following manners:
    1. Fax: 844-560-6760
    2. Email: [hsa@avidiahealthcaresolutions.com](mailto:hsa@avidiahealthcaresolutions.com)  
Due to the nature of the submission, personal identification such as social security numbers, addresses, etc. should be sent as a secure email
    3. Mail: Avidia Bank, PO Box 540606, Waltham, MA 02454
- **Can I see letters sent to applicants?**
  - Yes. When the request is sent, the operations team will create an interaction in WCA that includes an attachment of the letter.
- **Can I contact the applicant to help?**
  - Yes, you may contact the applicant and offer your assistance.
- **What do I do if I realize I entered the wrong information when processing enrollment and the application failed due to that error?**
  - You should contact the bank operations team. They will provide the next steps. Typically, they will have you update the information, and then they will perform the vetting process again.
- **How quickly after the failure should an applicant expect to receive a request?**
  - All exceptions/failures are actioned within 24 hours.

- **Will I be notified of the CIP exceptions/failures?**
  - No, you will need to either request an HSA Account Details Report via the user interface or look up the applicant in WealthCare Administration.
- **What happens if an applicant fails due to OFAC?**
  - These applications are reviewed as all failures are and are subject to additional screening. This may include running the applicant's information through a supplemental vetting partner.