

Jane Gile
Human Resources Director



CITY OF MANCHESTER

Human Resources Department

February 6, 2017

Board of Mayor and Aldermen
One City Hall Plaza
Manchester, NH 03101

RE: Informational – Transfer of HSA Administration to Anthem Benefit Wallet

Honorable Board of Mayor and Aldermen:

The City is moving forward with the transition of its HSA administration from Avidia Bank to Anthem Benefit Wallet on July 1, 2017. As you may recall, last spring, Citizens Bank, our HSA administrator at the time, sold and transferred the city's HSA account to Avidia Bank at the same time the city was recommending the change to Anthem Benefit Wallet. The timing of the Avidia transfer interfered with the city's plans. A conscious decision was made at that time to delay the implementation with Anthem Benefit Wallet and allow the Avidia transfer to go through as smoothly as possible without causing any additional confusion to members.

The communication is more informational in nature, i.e., to let the Board know that the City is moving ahead to contract with Anthem Benefit Wallet, as planned last year, for the administration of employee Health Savings Accounts.

Respectfully submitted,

Jane E. Gile, SPHR, SHRM S-CP
Human Resources Director

To the Board of Mayor and Aldermen of the City of Manchester:

The Committee on Human Resources/Insurance respectfully recommends, after due and careful consideration, that the City contract with Anthem BenefitWallet for Health Savings Account administration.

(Unanimous vote)

Respectfully submitted,



Clerk of Committee

At a meeting of the Board of Mayor and Aldermen held April 5, 2016, on a motion of Alderman Hirschmann, duly seconded by Alderman Katsiantonis, the report of the Committee was accepted and its recommendations adopted.



City Clerk

Jane Gile
Human Resources Director



CITY OF MANCHESTER

Human Resources Department

March 29, 2016

Keith Hirschmann, Chair
Human Resources and Insurance Committee
One City Hall Plaza
Manchester, NH 03101

Re: RFP – Health Savings Accounts (HSA)

Dear Chair Hirschmann and HRIC Members:

In anticipation of the potential elimination of the HSA servicing by Citizens Bank and due to customer service concerns expressed by employees regarding Citizens, the City and the School District sought the help of WBS with a Request for Proposals (RFP) for HSA administration.

The RFP produced five (5) vendors interested in administering the HSA accounts for the City and the School District. Citizens Bank did not bid. The vendors include: Bank of NH, Benefit Strategies, Anthem, Members 1st Credit Union and Avidia Bank. The proposals were reviewed by representatives of both the School District and the City. On the City side this group included the Benefits Coordinator, the Deputy Finance Director and the HR Director. The School side was represented by the Finance Director, the HR Director and the Benefits Coordinator. Maria Chandler and Tom DeLacey from WBS assisted us in the process. Evaluation criteria included integration with the Anthem health plan, price competitiveness, flexible investment options, dedicated customer service team, superior user experience and compliance to the City's contract terms. The team evaluated responses to approximately 60 criteria questions which covered plan administration, customer support services, employer support services, investment rates and options, system security, communications and fees.

Based on the bid evaluation, it is recommended that the City contract with Anthem through BenefitWallet (Mellon Bank of NY as custodian of the funds). The arrangement with Anthem allows the full integration of medical claims with HSA account balances. This feature is not available with the 4 other bidders.

The BenefitWallet employer portal has web reporting tools which are readily available and can allow the city to closely monitor and reconcile all transmitted contributions.

BenefitWallet has enhanced employee web-based claim management which includes an account balance dashboard, complete claims history viewing and a claim filing feature which allows

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storage of medical receipts for future processing as well as a click to pay feature. A mobile app is available. Benefit Wallet is the only bidder with a 24/7 toll-free customer service unit. The interest rate is competitive with the other bidders, although less than the rates offered at Citizens Bank.*

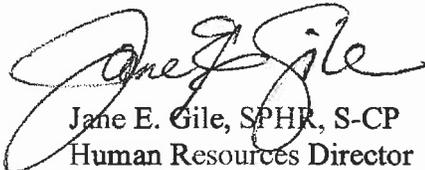
Attached you will find a timely communication from Citizens Bank announcing the transfer of its HSA portfolio to Avidia Bank. The transition is expected to happen within the next few weeks. The city is hopeful that it can make the switch to BenefitWallet prior to Citizens transferring the funds to Avidia.

The city is in communication with Citizens to determine the actual timeline of the transfer and to ascertain what can be done to effectuate one transition for our HSA subscribers, i.e., a seamless transition from either Citizens or Avidia to Anthem – BenefitWallet. We are hopeful that this is possible as it will be less confusing for our employees.

Recommendation:

That the City contract with Anthem BenefitWallet for Health Savings Account Administration.

Respectfully submitted,



Jane E. Gile, SPHR, S-CP
Human Resources Director

* Citizen Bank rates will no longer be available once funds transferred to Avidia Bank

March 23, 2016

City Of Manchester - City
1 City Hall Plz
Manchester, NH 03101-2099



Transfer of Your Employer Health Savings Account (HSA) Agreement to Avidia Bank

Dear Valued Client:

As you may have read in the business press, Citizens Commercial Banking (“Citizens”) is exiting the servicing of HSA accounts and will therefore no longer be offering HSA services to any clients. Rather than simply close our HSA accounts, we decided to look for a financial institution that offers a high level of service and an ongoing commitment to HSA clients. As a result, on December 8, 2015, Citizens entered into an agreement to transfer its HSA portfolio to Avidia Bank, a \$1.2 billion mutual community bank headquartered in Hudson, Massachusetts.

In mid- to late-May 2016, Avidia Bank will assume responsibility for both your HSA Employer Agreement and the administration of your employees’ HSA accounts. Please be assured that Citizens and Avidia Bank are working together to ensure a seamless transition.

During the next two months, your employees will receive detailed information from Citizens and Avidia Bank regarding:

- Exact timing of the transition
- Any action they need to take prior to and after the transfer
- How their HSA accounts will be serviced by Avidia
- Their new HSA debit cards and disclosure agreements

You will also receive a letter of introduction from Avidia Bank that will outline their HSA program and targeted transition dates. If you have any questions in the meantime, you may contact Jeff Graves, Citizens Commercial Banking product manager, at 617-725-5624. We appreciate your efforts to make your employees aware of this transition.

We are confident that Avidia Bank will continue to meet your HSA-related needs and the needs of your employees with exceptional solutions and service.

Citizens Commercial Banking will remain your primary banking partner for your broader existing banking relationship, including your treasury management products and services. Your relationship is our highest priority and nothing matters more to us than your complete satisfaction and trust.

Thank you for choosing Citizens Commercial Banking.

Sincerely,



Michael Cummins
Executive Vice President
Head of Treasury Solutions