

# Funding Lively plans

Lively recommends the **Reserve Funding** model to fund Lively reimbursement accounts. This type of funding method typically requires a small percentage of your total election value to be pre-funded at the start of your plan, and then replenished on a set cadence as funds are spent.

## Two important things to know about Reserve Funding

- 1

### Pre-fund %

Employers must pre-fund a percentage of their total plan elections. By pre-funding a portion of your plans' total, you ensure employees can promptly access funds on day 1 of their plan.
- 2

### Reserve requirement

Employers must maintain a specific balance in reserve (the "Reserve Requirement") in order to fund claims, which is replenished on a weekly or monthly cadence.

This amount is based on the sum of all plan elections [multiplied by] the pre-fund %.

## Replenishing cadence & Pre-fund %

The replenishing cadence you choose will determine the pre-fund percentage required. You can choose from two options.

Option 1

5%

A **weekly** replenishing cadence requires that 5% of the total sum of all plan elections are pre-funded.

Option 2

15%

A **monthly** replenishing cadence requires that 15% of the total sum of all plan elections are pre-funded.

### Example

Employer with 10 enrolled FSA participants, each with a \$1,000 election (\$10,000 total value). Employer chooses a monthly replenishing cadence, which means they must pre-fund 15% of their total elections at the start of the plan (\$1,500).

## How to confirm your reserve amount

Begin by notifying your Lively representative of your preferred replenishing cadence, and whether you'd like to automatically replenish funds (**Debit option**) or manually send funds when prompted (**Credit option**).

After, you must log in to Lively to finalize your enrollments and confirm your reserve amount. Please be aware, if you chose Debit, Lively will not charge your bank account for the pre-fund amount until you have logged in and confirmed.

If you chose Credit, you will not be able to confirm the Reserve Requirement until the ACH credit is received. Contact our Customer Success Team for additional help.

Lively

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Funding

HISTORICAL TRANSACTIONS

RESERVE REQUIREMENT

Reserve requirement

Active reserve amount

The total required reserve amount is based upon your plan finalization date of 04/03/2024. You will not be required to confirm your enrollments again until the following plan year or if you add a new plan.

Active reserve amount as of 04/03/2024

\$31,058.00

Best Self LSA (01/01/2024-12/31/2024)

\$9,630.00

(total benefit x reserve %)

(\$64,200.00 x 15%)

107 enrolled

CONFIRMED ON MM/DD/YYYY

Dependent Core Flexible Spending Account

\$8,814.00

(01/01/2023-12/31/2023)

(total benefit x reserve %)

(\$58,760.00 x 15%)

14 enrolled

CONFIRMED ON MM/DD/YYYY