

Bank Account Validation Service

What is Bank Account Validation*?

Bank Account Validation (BAV) is a service offered by One Inc that checks for potential issues and inconsistencies related to an insured's bank account when it is saved to be used for payment. Working in real time, BAV verifies that an account is open, active, and in good standing. BAV checks for common drivers of failed ACH payments and prevents the insured from submitting a payment that will fail a couple days later on the ACH network. If the bank account fails to pass BAV, the insured will be notified in real time and asked to provide a valid bank account.

How does it work?

1. The insured enters bank account information into your payment modal or portal.
2. In real-time, One Inc verifies that the bank account is open, active, and in good standing (i.e. valid, does not have excessive returns, is not frozen, can be located, etc.).
3. If the bank account is validated, the bank account can be saved, and the payment can be processed. If the bank account is invalidated, the insured is asked to update the bank account information and BAV runs again.

*Effective March 2021 Nacha updated their rules requiring merchants processing WEB-based transactions (transactions authorized by the internet or wireless network) to verify the account being debited using a "commercially reasonable fraudulent transaction detection system." One Inc's BAV system meets this requirement.

Benefits of BAV

- **Simplifies reconciliation** by reducing ACH returns and associated discrepancies in your billing system.
- **Improves customer experience and reduces friction** by giving customers a real-time pass or fail payment notification.
- **Reduces lapses in policy coverage** because premiums that are recorded as paid in your system are in fact paid.
- **Improves operational efficiency** by eliminating the need for staff to reach out to customers whose payments have failed to recapture payment information.
- **Reduces fraudulent payment activity** via ACH because customers will not be able to intentionally save an underfunded or inactive bank account for payment.

BAV is a feature of the One Inc Digital Payments Platform.

For more information, or to get started with BAV, speak with your One Inc customer success representative to enable this feature for you in Merchant Settings.

*For more information about Nacha please [CLICK HERE](#).