

Which PayFlex® account offered through CVS Health is best for you?

Planning, saving, and paying for you and your family’s health care cost should be easy. Discover the best way to manage your health care cost by learning the differences between the accounts offered by CVS Health and determine which one is right for you! **Questions? For CVS Health colleagues:** Log into cvshealth.payflex.com, your PayFlex member website. Click **Help & Support** to email or chat with us. Or call **888.678.7646 (TTY: 711)**. We’re here to help Monday – Friday, 7 a.m. – 7 p.m. CT, and Saturday, 9 a.m. – 2 p.m. CT.

	Health Savings Account (HSA)	Health Reimbursement Account (HRA)	Limited-Purpose Flexible Spending Account (LPFSA)	Health Care Flexible Spending Account (HCFSA)	Dependent Care Flexible Spending Account (DCFSA)
What is it?	<p>A tax-advantaged savings account using pre-tax money for eligible healthcare expenses.</p> <p>Requires enrollment in a high deductible health plan such as the Health Savings Plan (HSP) offered to colleagues by CVS Health. HSA dollars can be invested and earnings grow tax-free. Funds never expire — even if you change health plans, employers, or retire.</p>	<p>An employer-funded account to bridge the gap on eligible healthcare expenses.</p> <p>This account is created for you only if you are enrolled in an HSP and are NOT eligible for an HSA.</p> <p>Funds will carry over year to year, if you remain enrolled in the HSP and are ineligible for the HSA.</p>	<p>A pre-tax spending account that works alongside an HSA or HRA to pay for eligible dental and vision expenses prior to meeting your medical deductible.</p> <p>After your medical deductible is met, you can use the LPFSA to pay for eligible medical, prescription, and over-the-counter items.</p> <p>Limited-purpose FSA funds are use it or lose it. Funds may be forfeited, outside of the allowed carryover noted below, if not used by the end of the plan year.</p>	<p>A pre-tax spending account to pay for eligible healthcare expenses.</p> <p>Health Care FSA funds are use it or lose it. Funds may be forfeited, outside of the allowed carryover noted below, if not used by the end of the plan year.</p> <p><i>Note: If you are enrolled in a HCFSA, you and your spouse are ineligible to contribute to an HSA.</i></p>	<p>A pre-tax spending account to pay for eligible childcare expenses for dependents under age 13 or eldercare expenses for a spouse or adult dependent incapable of self-care.</p> <p>Dependent Care FSA funds are use it or lose it. Funds may be forfeited, outside of the allowed carryover noted below, if not used by the end of the plan year.</p> <p><i>Note: This account is not a health care account and cannot be used to pay for healthcare expenses.</i></p>

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Who is eligible?	<p>Colleagues regularly scheduled to work 30+ hours per week and enrolled in an HSP</p> <p>And, colleagues can't:</p> <ul style="list-style-type: none"> • Be covered by another health insurance plan which is not a consumer driven health plan (CDHP), a HCFSAs, or HRA • Be enrolled in Medicare Part A or B • Be claimed as a dependent on someone's else's tax return (other than your spouse) • Have used Veterans Affairs (VA) medical benefits in the prior three months – except in cases where the hospital care or medical services were for a service-connected disability <p><i>Note: If you enroll in an HSA, you and/or your spouse can't contribute to a HCFSAs at the same time.</i></p>	<p>Colleagues regularly scheduled to work 30+ hours per week and enrolled in an HSP and are NOT eligible for an HSA for one or more reasons indicated in the HSA column.</p>	<p>Colleagues regularly scheduled to work 30+ hours per week and enrolled in a HSP with an HSA or HRA.</p>	<p>Colleagues regularly scheduled to work 30+ hours per week and NOT enrolled in CVS Health medical coverage, and are not covered under another high deductible health plan.</p>	<p>Colleagues regularly scheduled to work 30+ hours per week and can be enrolled in any medical plan or waive medical coverage through CVS Health.</p> <p><i>Note: You must be working to be eligible for DCFSA. If you're married, your spouse must either be working, looking for work, a full-time student or incapable of self-care.</i></p>
Who owns the account?	Colleague	CVS Health	CVS Health	CVS Health	CVS Health
Who can contribute to the account?	CVS Health & Colleague	CVS Health	Colleague	Colleague	Colleague

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Who can the account be used for?	<p>Self, Spouse, and any tax dependent</p> <p><i>Note: Domestic partner expenses cannot be covered by their partner's HSA. Domestic partners can open their own individual HSA on the PayFlex website. Each partner can contribute to the family limit, if covered by a family plan.</i></p>	<p>Self, Spouse, and any tax dependent (spouse and/or tax dependent must be covered by your medical plan)</p>	<p>Self, Spouse, and any tax dependent</p>	<p>Self, Spouse, and any tax dependent</p>	<p>Children under 13 and spouse/dependent incapable of self care</p>
What is the annual IRS contribution limit for 2021-2022 plan year?	<p>2021 Limits: \$3,600 (Individual) \$7,200 (Family)</p> <p>2022 Limits: \$3,650 (Individual) \$7,300 (Family)</p> <p>If age 55 or older, contribute an additional \$1,000 pre-tax</p> <p><i>Note: The annual limit includes all contributions made by you, CVS Health, and any earned well-being rewards.</i></p>	<p>N/A</p>	<p>\$260 up to \$2,750</p>	<p>\$260 up to \$2,750</p>	<p>\$260 up to \$5,000 <i>(\$2,500 if married and filing separately)</i></p>

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How much does CVS Health contribute?	<ul style="list-style-type: none"> • \$500 – Individual • \$1,000 – Family <p>Note: The annual contribution amount is based on a 06/01 medical plan effective date and is deposited each pay periods in the plan year. If you enroll mid-year, your employer contribution will be prorated.</p>	<ul style="list-style-type: none"> • \$500 – Individual • \$1,000 – Family <p>Note: The annual contribution amount is based on a 06/01 medical plan effective date and is deposited at the beginning of the plan year. If you enroll mid-year, your employer contribution will be prorated.</p>	N/A	N/A	N/A
Are Well-being rewards deposited here?	<p>Yes</p> <ul style="list-style-type: none"> • Up to \$300 – Individual • Up to \$600 – Individual plus Spouse/Partner 	<p>Yes</p> <ul style="list-style-type: none"> • Up to \$300 – Individual • Up to \$600 – Individual plus Spouse/Partner 	No	No	No
When can I adjust my contributions?	Anytime	This account allows only for employer contributions	During annual enrollment or with a qualifying life event	During annual enrollment or with a qualifying life event	During annual enrollment or with a qualifying life event
Can I carryover the account balance?	Yes - Even if you change health plans, employers, or retire.	Yes - As long as you remain enrolled in an HSP medical plan, and are not eligible for an HSA.	<p>Yes – Due to COVID-19, for the plan years ending May 31, 2020 and May 31, 2021 plan years, all unused balances are carried over.</p> <p>Beginning with the June 1, 2021 – May 31, 2022 plan year, the standard IRS maximum carryover of \$550 will be allowed.</p>	<p>Yes – Due to COVID-19, for the plan years ending May 31, 2020 and May 31, 2021, all unused balances are carried over.</p> <p>Beginning with the June 1, 2021 – May 31, 2022 plan year, the IRS maximum carryover of \$550 will be allowed.</p>	<p>Yes – Due to COVID-19, for the plan years ending May 31, 2020 and May 31, 2021 plan year, all unused balances are carried over.</p> <p>Beginning with the June 1, 2021 – May 31, 2022 plan year, no unused balances will carry over.</p>

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Do the funds expire?	Never	No - As long as you remain enrolled in an HSP medical plan, and are not eligible for an HSA.	Yes	Yes	Yes
When can I start using my funds?	<p>Your pro-rated payroll contributions and Well-being rewards are available to spend when they are deposited into your account.</p> <p>CVS Health's contributions are available through HSA Assist if you need to use them for an expense prior to funds being deposited in your account.</p> <p><i>Note: All funds are used for eligible expenses incurred once your HSA is open and available in your account. Any HSA funds you use through HSA Assist are paid back with subsequent employer contributions. If an outstanding HSA Assist balance exists when you are no longer enrolled in the plan for any reason, you are required to repay the outstanding HSA Assist balance.</i></p>	<p>CVS Health's contribution is available at the start of the plan year.</p> <p>Your Well-being rewards are available to spend when they are deposited into your account.</p> <p><i>Note: Funds are first used for eligible expenses incurred during the current benefit plan year. If you remain enrolled in the HRA the following benefit plan year, any unused funds from the current year will rollover and be available for use during the following year.</i></p>	<p>Your full contribution is available at the start of the plan year. Your pro-rated payroll contributions will be withheld each pay period. You can use your funds prior to your pro-rated payroll contributions being deposited into your account.</p> <p><i>Note: All funds are used for eligible expenses incurred during the benefit plan year.</i></p>	<p>Your full contribution is available at the start of the plan year. Your pro-rated payroll will be withheld each pay period. You can use your funds prior to your pro-rated payroll contributions being deposited into your account.</p> <p><i>Note: All funds are used for eligible expenses incurred during the benefit plan year.</i></p>	<p>Your pro-rated payroll contributions are available when they are deposited into your account.</p> <p><i>Note: All funds are used for eligible expenses incurred during the benefit plan year.</i></p>

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What expenses are eligible?	<p>Eligible medical, prescription, dental, vision, and over-the-counter expenses.</p> <p>View the full list of eligible expenses on www.payflex.com</p>	<p>Eligible medical, prescription, dental, vision, and over-the-counter expenses.</p> <p>View the full list of eligible expenses on www.payflex.com</p>	<p>Dental and vision expenses before you hit your medical deductible.</p> <p>View the full list of eligible expenses on www.payflex.com</p>	<p>Eligible medical, prescription, dental, vision, and over-the-counter expenses.</p> <p>View the full list of eligible expenses on www.payflex.com</p>	<p>Custodial care (i.e.: daycare, pre-school, in-home care, etc.) for a child or adult dependent.</p> <p>View the full list of eligible expenses on www.payflex.com</p>
Do I receive a debit card?	Yes	Yes	Yes	Yes	No
How do I access the funds?	<ol style="list-style-type: none"> 1. Use the PayFlex debit card at the time of service or; 2. Use online bill pay to pay your providers directly or; 3. Reimburse yourself for out-of-pocket expenses through the PayFlex mobile app or website via check, or ACH transfer funds directly to your bank account 	<ol style="list-style-type: none"> 1. Use the PayFlex debit card at the time of service or; 2. Use online bill pay to pay your providers directly or; 3. Reimburse yourself for out-of-pocket expenses through the PayFlex mobile app or website via check, or ACH transfer funds directly to your bank account 	<ol style="list-style-type: none"> 1. Use the PayFlex debit card at the time of service or; 2. Use online bill pay to pay your providers directly or; 3. Reimburse yourself for out-of-pocket expenses through the PayFlex mobile app or website via check, or ACH transfer funds directly to your bank account 	<ol style="list-style-type: none"> 1. Use the PayFlex debit card at the time of service or; 2. Use online bill pay to pay your providers directly or; 3. Reimburse yourself for out-of-pocket expenses through the PayFlex mobile app or website via check, or ACH transfer funds directly to your bank account 	<ol style="list-style-type: none"> 1. Use online bill pay to pay your providers directly or; 2. Reimburse yourself for out-of-pocket expenses through the PayFlex mobile app or website via check, or ACH transfer funds directly to your bank account

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Do I need to submit documentation for an expense to PayFlex?	<p>No - Documentation is not required.</p> <p><i>Note: It's still important to save your documentation as the IRS may request documentation to verify funds were used for an eligible item.</i></p>	<p>Yes - An itemized receipt or Explanation of Benefits (EOB) from your insurance provider is required when you submit a claim.</p> <p><i>Note: You may also have to provide documentation to verify a PayFlex Card purchase.</i></p>	<p>Yes - An itemized receipt or Explanation of Benefits (EOB) from your insurance provider is required when you submit a claim.</p> <p><i>Note: You may also have to provide documentation to verify a PayFlex Card purchase.</i></p>	<p>Yes - An itemized receipt or Explanation of Benefits (EOB) from your insurance provider is required when you submit a claim.</p> <p><i>Note: You may also have to provide documentation to verify a PayFlex Card purchase.</i></p>	<p>Yes - An itemized receipt or claim form signed by your provider is required when you submit a claim.</p>
Are the distributions tax-free?	Yes – as long as, they are used for eligible expenses.	Yes	Yes	Yes	Yes
Are the earnings tax-free?	Yes	N/A	N/A	N/A	N/A
Does the account provide long-term savings?	Yes	Yes - in that the plan has a rollover feature as long as you are enrolled in the HSP and not eligible for the HSA.	No	No	No
Can I invest the funds in the account?	Yes	No	No	No	No
If I leave the company, can I take my account with me?	Yes	No	No	No	No

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What are the main benefits of the account?	<ul style="list-style-type: none"> Helps reduce your taxable income and increase your take home pay Keep your funds year after year Decide how and when to use the funds Maximize your tax savings by contributing money to the account Invest for future healthcare expenses 	<ul style="list-style-type: none"> Receive company contributions to pay for eligible health expenses when you are not eligible for an HSA Rollover your funds and keep it year after year (as long as you remain enrolled in an HSP medical plan) 	<ul style="list-style-type: none"> Helps reduce your taxable income and increase your take home pay Allows you to set aside additional pre-tax dollars for eligible dental and vision expenses 	<ul style="list-style-type: none"> Helps reduce your taxable income and increase your take home pay Allows you to set aside pre-tax dollars for eligible health expenses 	<ul style="list-style-type: none"> Helps reduce your taxable income and increase your take home pay Allows you to set aside pre-tax dollars for before/after school care or summer day camps for dependent children under age 13, or for an adult tax dependent who is unable to care for themselves



There may be fees associated with a Health Savings Account ("HSA"). These are the same types of fees you may pay for checking account transactions. Please see the HSA fee schedule in your HSA enrollment materials for more information.

This material is for informational purposes only and is not an offer of coverage. It contains only a partial, general description of plan benefits or programs and does not constitute a contract. It does not contain legal or tax advice. You should contact your legal counsel if you have any questions or if you need additional information. In case of a conflict between your plan documents and the information in this material, the plan documents will govern. Eligible expenses may vary from employer to employer. Please refer to your employer's Summary Plan Description ("SPD") for more information about your covered benefits. Information is believed to be accurate as of the production date; however, it is subject to change. PayFlex cannot and shall not provide any payment or service in violation of any United States (US) economic or trade sanctions. For more information about PayFlex, go to payflex.com.

Investment services are independently offered through a third party financial institution. By transferring funds into an HSA investment account you can potentially benefit from capital appreciation in the value of mutual fund holdings. However, you will also be exposed to a number of risks, including the loss of principal, and you should always read the prospectuses for the mutual funds you intend on purchasing to familiarize yourself with these risks.

The HSA investment account is an optional, self-directed service. We do not provide investment advice for HSA investment account participants. You are solely responsible for any investment account decisions you make. Mutual funds and brokerage investments are not FDIC-insured and are subject to investment risk, including fluctuations in value and the possible loss of the principal amount invested. The prospectus describes the funds' investment objectives and strategies, their fees and expenses, and the risks inherent to investing in each fund. Investors should always read the prospectus carefully before making any investment decision. System response and account access times may vary due to a variety of factors, including trading volumes, market conditions, system performance, and other factors.