



TexFlexSM Flexible Spending Accounts

Save money to help pay for the things that matter most

Available to all benefits-eligible active employees, a TexFlex flexible spending account (FSA) is a great way to save money to pay for everyday expenses – while lowering your taxable income. We make it simple for you to set aside money from your paycheck (pre-tax) to use for eligible out-of-pocket health care and dependent care expenses. There are three types of TexFlex accounts available:

Health care FSA – This account helps you pay for eligible medical, dental, vision, hearing and prescription drug expenses. You can elect from **\$180** to **\$2,750** for your Plan Year 2022 contribution. Some common eligible expenses include:

- copays, deductibles or coinsurance for medical, dental or vision plans
- prescription medications
- glasses, contacts or laser eye surgery
- orthodontia treatments, such as braces

Dependent care FSA – This account helps pay for eligible expenses like child day care and adult care day programs. You must be working, looking for work or be a full-time student to enroll in a dependent care account. You can elect from **\$180** to **\$5,000** for your Plan Year 2022 contribution. Some common eligible expenses include:

- day care for your tax dependents
- before- and after-school care or summer day camp for your child who is under the age of 13
- care for your eligible dependent who lives with you at least eight hours a day and needs assistance with daily living

Limited-purpose FSA – If you're enrolled in the Consumer Directed HealthSelectSM plan, this account can help you pay for eligible vision and dental expenses. You can elect from **\$180** to **\$2,750** for Plan Year 2022. Some common eligible expenses include:

- glasses or contacts, laser eye surgery
- routine dental exams and cleanings (excludes bleaching or whitening)
- orthodontia treatments, such as braces

Having a TexFlex account means you pay less in taxes

Below is an example of how much you could save, based on salary, tax bracket and contribution amount.

	With TexFlex	Without TexFlex
Annual pay	\$50,000	\$50,000
Health care FSA pre-tax contribution	(\$2,000)	\$0
Taxable income	\$48,000	\$50,000
Social Security and Medicare taxes	(\$10,966)	(\$11,616)
After-tax dollars spent on eligible costs	\$0	(\$2,000)
Spendable income	\$37,034	\$36,384
Annual savings*	\$650	\$0
*Sample tax savings example for a single taxpayer with no dependents. Actual savings will vary based on your individual tax situation. Consult a tax professional for more information.		

How to use your TexFlex account funds

With a TexFlex account, we make it easy to spend your funds on eligible expenses throughout the plan year.

- If you enroll in a **health care or limited-purpose FSA**, you'll get a TexFlex debit card at no cost. This makes it easy to pay for eligible expenses during the plan year. If you choose not to use the debit card, you can file a claim using the PayFlex mobile app, online, by mail or by fax. When your claim is processed, we'll reimburse you from your account funds by mailing you a check or making a direct deposit (if you linked a bank account).
 - You'll have access to the full contribution amount at the beginning of the plan year.
 - You can use funds for both yourself and your eligible dependents.
 - You'll get one TexFlex debit card and can request additional cards at no cost.
- If you enroll in the **dependent care FSA**, you can pay for eligible expenses with cash, personal check or credit card. Then, file a claim online, by mail or by fax to reimburse yourself. When your claim is processed, we'll mail a check to you or you can enroll in direct deposit.
 - You can file a claim for your dependent care expenses only after the care has been provided.
 - You can use funds only for your eligible dependents.

Quick tip

Whether you use the TexFlex debit card or submit claims, don't forget to save all receipts.

They'll come in handy when submitting documentation with a claim, or if you need to verify a debit card transaction.



TexFlex account comparison chart

The following chart may help you decide which account(s) are right for you:

	Health care or Limited-purpose FSA	Dependent care FSA
Annual minimum contribution	\$180	\$180
Annual maximum contribution	\$2,750	\$5,000
Submit claims online, by fax or by mail	Yes	Yes
TexFlex debit card	Yes	No – submit claims online, by fax or by mail.
Availability of funds	The full annual contribution is available on September 1, 2021 .	Monthly -- funds are available as they're added to your account from your paycheck.
Carryover – any unused funds remaining in your FSA carry over into the next plan year*	PY21 to PY22: Yes – unlimited PY22 to PY23: Yes – up to \$550	PY21 to PY22: Yes – unlimited PY22 to PY23: No; grace period instead
Grace period – additional time after the plan year ends to spend your funds	No	PY21 to PY22: No* PY22 to PY23: Yes – through November 15, 2022
Runout period -- when you can submit FSA claims, for services and purchases made during the previous plan year or, for dependent care FSA, grace period	You will have September 1, 2022 – December 31, 2022 to submit eligible FSA expenses made between September 1, 2021 - August 31, 2022 .	You will have September 1, 2022 – December 31, 2022 to submit eligible FSA expenses made between September 1, 2021 – November 15, 2022 .

*Due to the COVID-19 pandemic, the federal government is allowing unlimited carryovers in all three types of FSAs for Plan Year 2021. As a result, there will not be a Plan Year 2021 grace period for the dependent care FSA.

How much should you contribute?

If you need help planning your contribution amount, we recommend that you use the **TexFlex Calculation Worksheet** or the **online calculator** posted on www.TexFlexERS.com.

- You cannot change your contributions during the plan year, unless you have a qualifying life event, such as marriage or birth of a child.
- All FSA funds must be used within the plan year, except what you are allowed to carry over to the next plan year or, for dependent care, incur during the grace period. In Plan Year 2021, the carryover limits and dependent care FSA grace period were removed due to the COVID-19 pandemic. The carryover minimums and maximums and grace period will be back in place for Plan Year 2022:
 - The **health care** and **limited-purpose** FSAs allow participants to carry over up to \$550 in unused funds from Plan Year 2022 to Plan Year 2023. Any unspent funds over \$550 will be forfeited to the overall TexFlex fund, to help cover administrative costs.
 - The **dependent care** FSA does not allow any funds to carry over. Instead, there's a 2½-month grace period after August 31 in which participants can spend unused funds on eligible expenses. Plan Year 2022 funds not spent by November 15, 2022 will be forfeited.
 - Participants have additional time to submit claims for expenses incurred during the plan year or **dependent care** FSA grace period. See the chart above for details on this “runout period.”

How do you enroll?

All benefits-eligible active employees and return-to-work retirees with active employee benefits can enroll in, make changes to or cancel elections for an FSA during Summer Enrollment, or within 31 days of a qualifying life event or hire date.

- Log into your ERS account at <https://ers.texas.gov/my-account-login>. Then, elect your annual contribution amount.
- Your benefits coordinator can also help you enroll in TexFlex or change your election.
- Your contribution, your annual election divided by the number of paychecks you'll get in the plan year, will be deducted from your paycheck each month. The plan year is September 1 – August 31.

Want to learn more?

Visit the TexFlex website to learn more about the FSAs available to you. You can also review the full list of eligible expense items, read more about the TexFlex debit card and watch helpful videos. Make sure you understand FSA rules before enrolling in an account or changing your contribution.

- Visit www.TexFlexERS.com.
- Click the **Plan Year 2022** link for more information on the TexFlex program, administered by PayFlex.

We're here to help

Website: www.TexFlexERS.com

TexFlex Customer Service: (866) 353-9839 (TTY:711)

Monday - Friday, 7 a.m. – 7 p.m. CT, and Saturday, 9 a.m. – 2 p.m. CT.

Fax: 402-231-4310

Mail: PO BOX 8396 Omaha, NE 68108-0396

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. 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.

943902-01-01 (1/22)

TEXFLEXSM