



A short guide to your health savings account

How to open and get started



Open your HSA with
Optum Financial
today. It's quick
and easy – go to
[optumbank.com](https://www.optumbank.com)
to get started.

Getting started with your HSA

After enrolling in Consumer Directed HealthSelectSM, which includes a high-deductible health plan (HDHP), you may be eligible to open and save in an HSA from Optum Financial. Here is some information about how an HSA works and directions for getting started.

What is an HSA?

Think of an HSA as a savings plan for health care you'll need today, tomorrow and into the future. It works like a regular bank account, but you don't pay federal income tax on the money you deposit. When you use your HSA money to pay for qualified medical expenses, you won't pay income taxes on the money, either. You can even build your savings into a nest egg for retirement.

Unlike a TexFlex flexible spending account (FSA), your savings can grow from year to year. The money is there when you need it.

Why have an HSA?

An HSA helps you plan, save and pay for health care – now or in the future – with significant tax advantages.

You own it

The money belongs to you, even deposits made by others, such as the state of Texas or family members. You keep it in your account even if you change jobs, change health plans or retire.

It has 3 important tax benefits

1. Money deposited is federal income tax-free.
2. Savings grow tax-free.
3. Withdrawals made for qualified health expenses are also income tax-free.

Anyone can contribute

You, the state of Texas or a loved one can contribute. There are no restrictions on who can put money into your account.

It's not just for doctor visits

You can use your HSA to pay for qualified medical needs such as eyeglasses, hearing aids and qualified prescriptions.

You can invest it

Once your balance reaches the designated investment threshold,* which is typically around \$2,000, you can begin investing in eligible mutual funds. If you earn money on your investments, you don't pay income tax on that money, either.

You can save for the future

By saving in an HSA, you can be ready for expenses due to illness or accident. And, after you turn 65 or become entitled to Medicare benefits, you may withdraw money from your HSA for expenses that are not qualified medical expenses, which are subject to standard income taxes, without penalty. Save as much as you can now, and you could have a nice nest egg when you retire.

***Investments are not FDIC insured, are not bank issued or guaranteed by Optum Financial or its subsidiaries, including Optum Bank, and are subject to risk including fluctuations in value and the possible loss of the principal amount invested.**

When should you establish your HSA?

After you've enrolled in Consumer Directed HealthSelect, open your Optum Financial HSA as soon as you are eligible to do so. That way, you can start getting the state's monthly contribution to your account, if you are eligible, and start making your own contributions. Then, you can use your HSA to pay or reimburse yourself for qualified medical expenses. You cannot use your HSA to reimburse yourself for medical expenses you had before your account was opened. You cannot get the state's contribution unless you have an Optum Financial HSA.

What else do you need to know about an HSA?

Eligibility rules apply

To deposit money into an HSA, you must be enrolled in an HSA-eligible health plan. You are eligible if:

- You are covered under the Consumer Directed HealthSelect HDHP.
- You are not covered by any other non-HDHP, such as a spouse's plan, that provides any benefits covered by your HDHP with Consumer Directed HealthSelect. Exceptions include coverage like vision or dental.

- You are not enrolled in Medicare.
- You are not claimed as a dependent on someone else's tax return.
- You do not receive benefits under TRICARE.
- You don't have a TexFlex health care flexible spending account (health care FSA) in the same plan year.

Some other restrictions apply. Please consult your tax, benefits or financial advisor.

If you switch to a health plan that makes you ineligible to continue depositing money in an HSA, you may continue to use the money in your account for qualified medical expenses, but you can no longer make deposits.

Contribution limits are based on a calendar year and determined every year by the IRS

The annual maximum contribution for calendar year **2024** is \$4,150 for an individual account and \$8,300 for a family account. This means the annual maximum participant contribution for a Consumer Directed HealthSelect member getting the state’s contribution is \$3,610 for individual account and \$7,220 for a family account.

The annual maximum contribution for **2025** is \$4,300 for an individual account and \$8,550 for a family account. This means the annual maximum participant contribution for a Consumer Directed HealthSelect member getting the state’s contribution is \$3,760 for an individual account and \$7,470 for a family account.

HSA contributions and limits* for 2024 and 2025

Annual maximum	Individual coverage		Family coverage	
	2024	2025	2024	2025
Calendar year	2024	2025	2024	2025
Total contribution	\$4,150	\$4,300	\$8,300	\$8,550
State contribution**	\$540 (\$45 monthly)		\$1,080 (\$90 monthly)	
Participant contribution	\$3,610	\$3,760	\$7,220	\$7,470

*HSA contribution limits are based on a calendar year. Limits may change from year to year, or based on eligibility requirements and the participants’ age. Maximums include both pre-tax and post-tax contributions.

The IRS also allows you to make an extra catch-up deposit of \$1,000 if you are 55 or older.

**The current annual contribution from the State of Texas, through August 2025, is \$540 for an individual account and \$1,080 for a family account. This is based on available funding and could change on September 1, 2025.

It’s different from the TexFlex health care flexible spending account (FSA)

You may be familiar with the TexFlex health care FSA. With the TexFlex health care FSA, all the money you choose to contribute is available to help pay for eligible expenses on the first day your benefit is effective.

An HSA works differently. Money grows in your HSA as you (and the state of Texas) deposit money into it. You can use your debit card or online bill pay for qualified expenses only if you have enough money in the account to cover the cost.

While you are growing your HSA savings, you may pay for a qualified medical expense out of pocket. You can reimburse yourself from your HSA later, after you have enough money in your account. Remember, though, that you can only reimburse yourself for qualified expenses you incur after you open your HSA.

You can’t contribute to both an HSA and the TexFlex health care FSA

IRS rules don’t allow you to participate in both an HSA and a health care FSA. Instead, you’ll have the option to enroll in a TexFlex limited-purpose flexible spending account (FSA). Money in a limited-purpose FSA can be used only on qualified vision and dental expenses. If you enroll in a TexFlex limited-purpose FSA, you can elect an annual contribution ranging from the minimum set by Employees Retirement System of Texas (ERS) up to the IRS-set per-family maximum.

HSA participants aren’t required to enroll in a limited-purpose FSA. If you don’t enroll, but currently participate in the TexFlex health care FSA and have a balance of between the ERS-set minimum rollover and the IRS-set maximum rollover after August 31, a limited-purpose FSA will be opened for you, and your health care FSA balance will be rolled over.

If you have less than the ERS-set minimum rollover in your TexFlex health care FSA and choose to enroll in a TexFlex limited-purpose FSA, those funds will roll over to your limited-purpose FSA. If you have less than the ERS-set minimum in your TexFlex health care FSA and choose not to enroll in a TexFlex limited-purpose FSA, you will forfeit the money left in your TexFlex health care FSA.

Learn more about TexFlex health care and limited-purpose FSAs, including minimum and maximum contribution and rollover amounts, at [TexFlexERS.com](https://www.texflexers.com).

Keep your receipts

Save all your receipts for qualified medical expenses. If the IRS asks, you must be able to prove that you used your HSA money only to pay or reimburse yourself for qualified medical expenses.

Paying with your HSA is easy

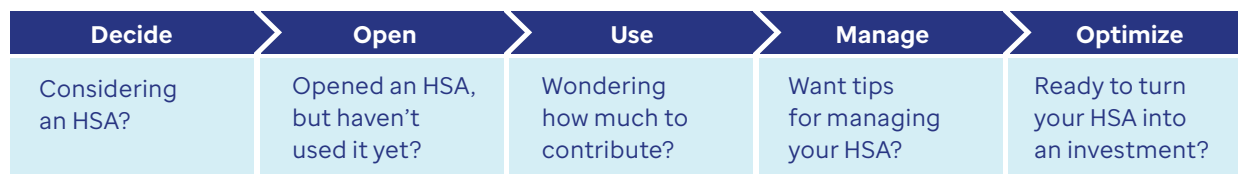
- Use your debit card to pay at the pharmacy, doctor’s office or elsewhere. You can also order extra cards for covered family members.
- Pay your bills for qualified medical expenses online at [optumbank.com](https://www.optumbank.com).
- Pay out of pocket and reimburse yourself. You can do that online or by withdrawing money with your debit card from any ATM with the Mastercard® logo.

Optum Financial and ERS will not verify that your expenses are eligible to be paid from your HSA. It’s up to you to ensure you pay or reimburse yourself only for eligible expenses.

The 5 Stages of Health Saving and Spending

Good health is a journey. So is saving the money needed to pay for qualified medical expenses.

We've identified 5 stages account holders go through when owning a health savings account: Decide, Open, Use, Manage and Optimize.



Getting started

1. Enroll online

You can open your HSA at optumbank.com. Call Optum Financial at **1-866-234-8913** to learn more about the application process.

2. Start saving

There are several ways to contribute to your account.

- Payroll deduction: If you are actively employed, you can elect to have a pre-tax contribution taken out of your paycheck and deposited into your HSA. It's the easiest way to build your savings.

Note: If you're retired, you cannot deposit money from your annuity to your HSA. You can make after-tax contributions directly to your account and claim them when you file your taxes for the year.

- Electronic deposits: Sign in to your account and make a deposit by transferring money from another bank account.
- Check: Mail a check along with a contribution form, available online.
- Transfer or roll over funds: If you already have an HSA, you can roll over or transfer funds from that account into your Optum Financial account. Some restrictions apply. Find more information and a rollover/transfer form by logging into optumbank.com.
- The State of Texas will make a monthly contribution for active employees and retirees on a pre-tax basis, only if a member opens an HSA with Optum Financial.

3. Be on the lookout

If you enroll online, you may be able to get your welcome kit electronically. Within 7 to 10 days, your Optum Financial HSA debit Mastercard® will arrive by mail in an unmarked envelope.

Customer service is here to help

Visit optumbank.com.

Manage your account, pay bills, download forms and find other helpful HSA information. Be sure to sign in monthly to check your statement.

Call us toll-free at 1-866-234-8913

Friendly, knowledgeable customer care professionals are available from 7 a.m. to 7 p.m. Central time, Monday through Friday. Assistance for most foreign-language speakers is also available.

The Employees Retirement System of Texas (ERS) complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability or sex. ERS provides free language aids and services, such as: written information in other formats (large print, audio, accessible electronic formats, other formats) qualified interpreters and written information in other languages.

If you need these services, call: 1-877-275-4377, TDD: 711.

If you believe that ERS has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability or sex, you can file a grievance by mail, fax or email:

Mail: Section 1557 Coordinator, Employees Retirement System of Texas, P.O. Box 13207, Austin, TX 78711

Fax: 1-512-867-3480

Email: 1557coordinator@ers.state.tx.us

For more information, visit: ers.texas.gov.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services online, by mail or by phone at:

Online: ocrportal.hhs.gov/ocr/portal/lobby.jsf

Complaint forms are available at: hhs.gov/ocr/office/file/index.html

Mail: U.S. Department of Health and Human Services, 200 Independence Avenue, SW, Room 509F,

HHH Building, Washington, D.C. 20201

Phone: 1-800-368-1019, 1-800-537-7697 (TDD)

ERS provides language assistance at no cost to you.

For help, please call the ERS main number.

L'ERS vous offre une aide linguistique gratuite. Pour obtenir de l'aide, veuillez composer le numéro principal de l'ERS.

ERS તમને કોઈપણ ભરૂં ભાષા સહાય પૂરી પાડે છે. મદદ માટે, ERS મુખ્ય નંબર પર ફોન કરો.

ERSは無料で言語補助を提供しています。補助が必要な場合は、ERSの主番号にお電話ください。

ERS ໃຫ້ ການຊ່ວຍເຫຼືອ ທີ່ ບໍ່ ຈ່າຍ ການພາສາໃດໜຶ່ງ ທີ່ ຈຳນວນ ເບື້ອງຄຳ ເລື້ອງ ຂອງ ຄວາມຊ່ວຍເຫຼືອ ອື່ນ ກະລຸນາໃຫ້ທ່ານ ຫາກ ທ່ານ ອາດມີ ຂໍ້ ສອບຖາມ ຂອງ ERS.

ERS proporciona asistencia de idioma sin costo para usted.

Para obtener ayuda, llame al número principal de ERS.

فيل الكتبي أ لمحتت أن نود كل ذي وغلل ادعاسم ال ERS رفوت

ERS- ل سي ئرل ام قرلاب لاصت ال ا جزي، ادعاسم ال ل لع لوصح لل

ERS عى ل دد- عه اترك مءارف دد يك نابز سىم تفم وك پء

ERS- سىر ل اك رپ ربمن ل صا عه

ERS 會爲您免費提供語言協助。如需協助，請撥打

ERS 總機號碼。

Die Sprachassistenzdienste von ERS stehen Ihnen kostenlos zur Verfügung. Um Hilfe zu erhalten, wählen Sie bitte die ERS-Hauptnummer.

ERS आपको बनिा कसिी लागत के भाषा सहायता प्रदान करता है। मदद के लिए, कृपया ERS के मुख्य नंबर पर कॉल करें।

긴급응답 서비스(ERS)는 무료로 언어 지원을 제공해 드립니다. 도움을 원하시면 긴급응답 서비스(ERS) 대표 전화번호로 전화해 주십시오.

Пенсионный фонд ERS предоставляет услуги переводчиков бесплатно. Для получения услуг звоните по основному номеру ERS.

Nagbibigay ang ERS ng libreng tulong sa wika. Upang makatanggap ng tulong, pakitawagan ang pangunahing numero ng ERS.

دهد یم رارق ناترایتخا رد ناگیار تروص هب ار ینابز کمک ERS دی ریگب سامت ERS ی لصا هرامش اب، ییامنهار تفایرد یارب

ERS cung cấp hỗ trợ ngôn ngữ miễn phí cho quý vị. Để được trợ giúp, vui lòng gọi số chính của ERS.

Optum Financial®



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