



Optum

**Employees Retirement System of Texas
Health Savings Accounts 2027
Summer Enrollment**

What's an HSA?

A health savings account (HSA) helps you save smarter through all stages of life. It lets you use income tax-free dollars to pay for qualified medical, dental and vision expenses.

Your HSA dollars are yours to keep. Balance carries over from year-to-year, to new jobs and even into retirement.



You're eligible for an HSA if you:

- Aren't covered by any other health plan that is not a high-deductible health plan (HDHP)
- Are not enrolled in Medicare, TRICARE or TRICARE for Life
- Haven't received Veterans Affairs (VA) benefits within the past three months, except for preventive care; if you have a disability rating from the VA, this exclusion doesn't apply
- Can't be claimed as a dependent on someone else's tax return
- Don't have a health care FSA (flexible spending account) or HRA (health reimbursement arrangement). Note: Alternative plan designs, such as a limited-purpose FSA or HRA, might be permitted



Smart tip: Other restrictions and exceptions may also apply. We recommend that you consult a tax, legal or financial advisor to discuss your personal circumstances.

How an HSA helps you save money

HSAs are triple tax advantaged accounts, helping you save, earn and spend income tax-free:



Contribute income tax-free money to your account (up to IRS limits) and adjust at any time during the year.



Grow your savings with income tax-free interest and investment growth

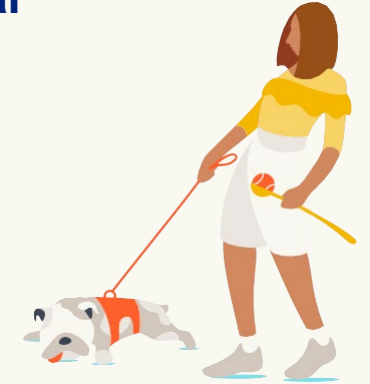


Spend your HSA dollars on thousands of qualified medical expenses, like glasses, prescription refills and doctor visits — all income tax-free

An example of savings potential

Here's how much Ellen, age 27, could save with her HSA

Because she hasn't had many medical expenses, Ellen decided not to touch her HSA balance during her first year. Once she turns 40, she begins using \$500 each year to cover her health costs.



Monthly contribution	\$100
Balance at the end of the first year	\$1,200
Balance at age 65	\$33,800
Annual income tax savings	\$356*

Contribute: Maximum limits

Health savings account contribution summary

IRS contribution limits	2026	2027
Individual coverage	\$4,400	\$4,500
Family coverage	\$8,750	\$9,000



Additional \$1,000 annually if you're 55 or older

Curious how much you're able to contribute?
View this year's contribution limits at optumfinancial.com.

Things to consider when choosing your contribution amount:

- Do you have any ongoing prescriptions?
- Do you have any planned procedures or surgeries?
- Is someone in your family getting braces?
- How much is your health plan deductible?
- Are you considering starting a family?
- When do you plan to retire?



State of Texas contributions

Individual coverage	\$ 540
Family coverage	\$1,080



State of Texas contributes to your HSA!



- Participants with medical individual coverage will receive \$540 annually
- Participants with medical individual plus one or more will receive \$1,080 annually

State contributions count toward the IRS maximum allowed annual contribution amount

You MUST have an open HSA account with Optum Bank to receive the State's contributions!

Step 1: Account Holder Information

All fields required except where indicated.

Personal Information (Account holder)

First name

Middle Initial (optional)

Last name

Social security number or tax ID ●

Date of birth
mm-dd-yyyy

Home phone ●
555-555-5555

Work phone (optional)
555-555-5555

Email address ●

Re-enter email address

Passcode

Please enter a word (up to 10 letters without spaces), such as your mother's maiden name, the city of your birth, the name of your first pet, or other word unique to you that you will remember. We may ask for your passcode to verify your identity when you call our customer care center.

Home Address

Home address
Cannot be a P.O. box.

City

State ▼

Zip code -

Mailing address is different

To help the government fight the funding of terrorism and money laundering activities, the USA PATRIOT Act requires us to obtain, verify, and record information that identifies each person who opens an HSA. As a result, when you open an HSA, we will ask for your name, address, date of birth, Taxpayer Identification Number ("TIN") and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents. You must have a physical address in the United States and we reserve the right to decline your HSA request if we are not able to fully verify your personal information.

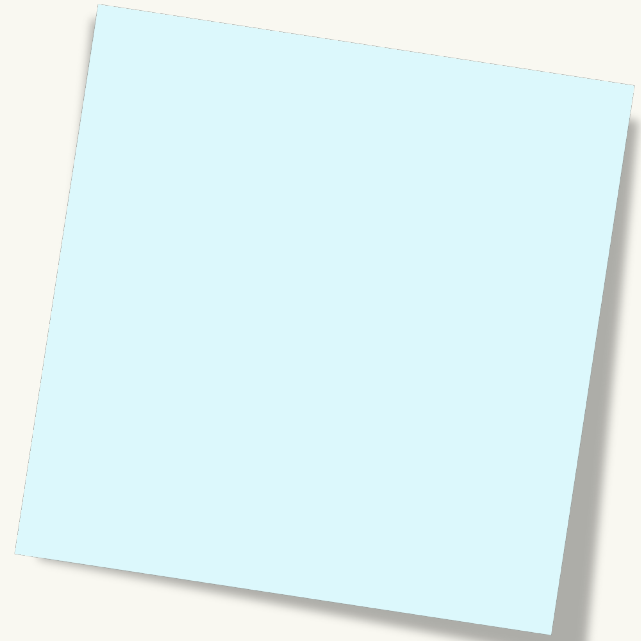
Medical Information - High Deductible Health Plan (HDHP)

Group number or financial advisor number ●

Employer name

Who is covered? ▼ ●

HDHP effective date
mm-dd-yyyy ●



HSA contributions

How to make a deposit

- Active employees can set up payroll deductions from every paycheck.
- Retirees not enrolled in Medicare can make post-tax contributions directly into their HSA.
- Sign into your HSA account at [OptumBank.com](https://www.optumbank.com) to set up one-time or recurring deposits.
- Mail in a check.
- Contribute with the Optum Bank Mobile App.

Yours to keep

- HSA funds roll over from year to year
- The money in your HSA is yours until you spend it, even if you retire or change jobs or health plans
- You can continue to grow your HSA and/or use it into retirement



You have until the tax filing deadline each year to maximize your HSA contributions for the previous tax year.

That means that if you did not contribute the maximum amount for 2026, you have until tax day the following year to do so. Tax day in 2027 is Thursday, April 15, 2027.

Be sure to specifically designate those contributions for 2026.

Grow: Investing in your HSA

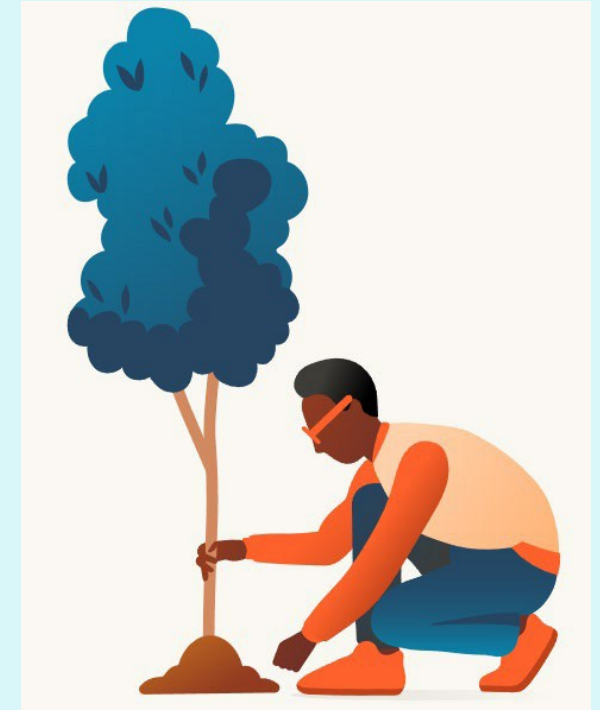
An example of savings potential

Here's how early investment can pay off

Let's say you contribute \$3,000 a year to your HSA until retirement. Assuming you use \$1,500 a year for medical expenses, earn 7% a year in interest and investments, and reinvest all earnings, your savings can really add up. The earlier you start, the more potential you have:



Starting age	HSA value at age 65* INVESTING	HSA value at age 65 NOT INVESTING
25	\$320,420	\$60,000
35	\$151,613	\$45,000
45	\$65,799	\$30,000
55	\$22,176	\$15,000



*Hypothetical example for illustrative purposes only. Amounts will vary depending on your unique circumstances.

Account holders must meet the minimum balance to begin investing, this amount may vary, check your online account or plan documents.

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.

HSA investment options

Unlike traditional HSA providers that rely on self-directed mutual funds, Optum Financial offers multiple investment options. We provide a multi-path model that serves a broader range of employees, from novice savers to seasoned investors.



Digitally-managed funds

Provides investment options for employees who want to set it and forget it (robo advice)/ Betterment



Mutual funds

Offers diversification, low costs, convenience and professional management



High-yield health savings account

Our FDIC-insured HYHSA offers a competitive **APY of 3.45%[†]**, giving your employees greater stability and growth potential in a changing market













[†]Rates are variable and may change at any time at the Bank's discretion.

The disclosed APY is as of December 11, 2025.



Spend: Qualified medical expenses

Examples of HSA-qualified medical expenses:

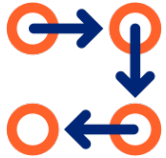
 Acupuncture	 Nursing services	 Rx drugs and refills
 Chiropractic care	 Orthodontia (non-cosmetic)	 Psychiatric care
 Eye exams, glasses, contacts	 Long term care	 Sunscreen (SPF 15+)
 COBRA and Medicare premiums	 Physical therapy	 Wheelchairs, walkers, crutches and canes

Use the Qualified Medical Expense Tool on optumbank.com to see if your specific expense qualifies for reimbursement

Non-qualified medical expenses after 65



HSAs & Medicare



Enroll

Once enrolled in Medicare (e.g., Part A or Part B) you can no longer contribute to your HSA.



Withdraw Funds

You can still use your funds to pay for qualified medical expenses.



Does NOT cover...

Medicare does not cover hearing aids, vision care, dental care or nursing home care.



Why not let it grow?

You can still invest your HSA funds. You just can not make contributions to your HSA account.

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.

Enrolling in the HSA



Enroll in the HSA during OE or with QLE

- Make sure to enroll in the HSA when enrolling in Consumer Directed HealthSelectSM during summer enrollment



Vetting procedures

- Required by federal law
- Optum Financial must verify and record information that identifies applicant
- If applicant does not pass vetting, account holder will receive failed vetting letter and/ or email from Optum Financial



Welcome kit and debit card

- Welcome letter
- Debit card
- Fee schedule
- Disclosures and privacy notice



Make sure you are aware of your HSA establishment date. Generally, this is the date the HSA becomes active.

Expenses incurred prior to the establishment date are not qualified medical expenses. Refer to IRS Publication 969 for more information.

Pairing a limited-purpose flexible spending account (FSA) with an Optum HSA

- You are not able to participate in a health care flexible spending account (FSA) if you enroll in Consumer Directed HealthSelect.
- Active employees may, however, enroll in a TexFlexSM limited-purpose FSA.
- A limited-purpose FSA can be used only to pay for eligible dental and vision expenses that you may have.
- A limited-purpose FSA is not insurance. Visit [TexFlexERS.com](https://www.texflexers.com) for more information.



How to access your accounts with Optum Financial

Online

- Check your balance
- Make deposits
- Pay bills
- Submit receipts
- Reimburse yourself
- Search for qualified medical expenses
- Manage your investment activity
- Update your beneficiary

App*

- Check your balance
- Make deposits
- Pay bills
- Capture and submit receipts
- Reimburse yourself
- Search for qualified medical expenses
- Update your beneficiary

*Download app on Apple Store App store or Google Play store



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Payment card

- Pay the easier way at the doctor's office, chiropractor or pharmacy
- Pay for qualified medical expenses online

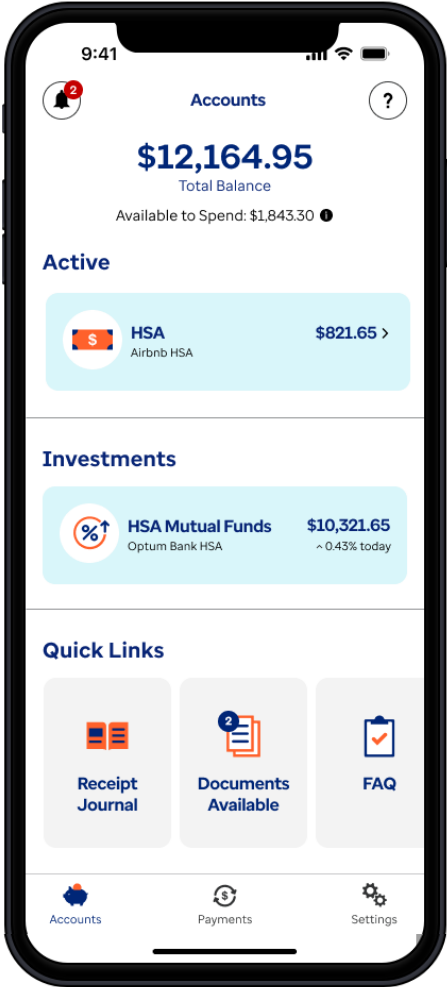
How can I access my online account?

Sign in at Optumbank.com

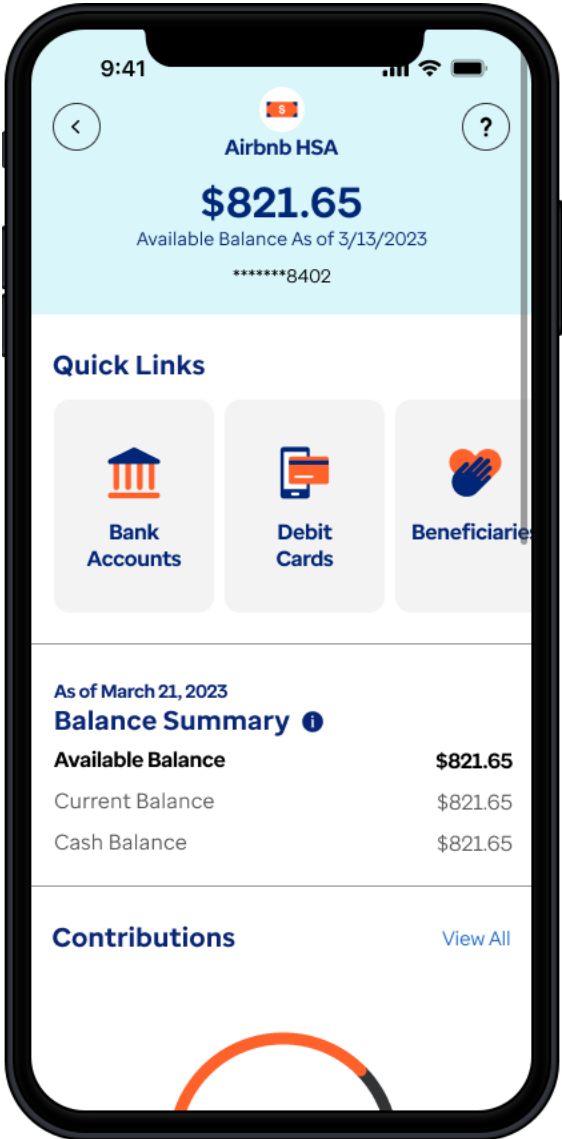
The screenshot shows the Optum Bank online account dashboard. At the top, the Optum Bank logo is displayed with "Member FDIC" below it. A navigation menu includes Dashboard, Accounts, Payments, Contributions, Investments, Help & Tools, and Settings. The main content area greets the user with "Good morning, Suzanne" and shows a balance of \$ [redacted] available to spend. Below this, the total balance is shown as \$ [redacted]. Five action buttons are provided: Reimburse myself, Pay a bill, Add documents, See statements, and Manage cards. A section titled "Your account" features a "Health Savings Account (HSA)" with a balance of \$ [redacted] available to spend.

Using the mobile app

Capture receipts and save to your account



Add other bank accounts for direct deposit and reimbursement



Manage beneficiaries

Designate a beneficiary



Sign in to your account and designate a beneficiary for your HSA.

The beneficiary of your account will receive the money if you pass away.

They may have the choice of keeping the HSA for medical expenses or the funds will be liquidated and taxed as income.

Beneficiary designation applies to all HSA funds, including cash and investments.



Common questions



Who owns my HSA?

You do. An HSA is your account. It never expires and funds always roll over. Even if you change jobs or retire, the money in your HSA is yours to keep.



Do I need to keep my receipts?

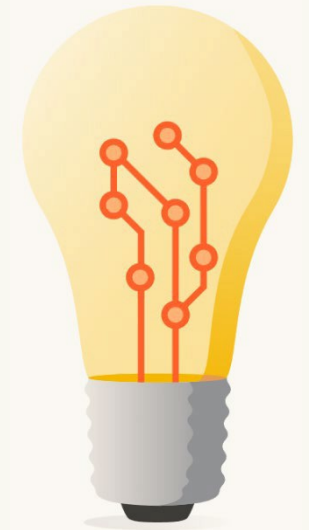
Yes, you are responsible in case of questions or audit by the Internal Revenue Service (IRS) to prove distributions were for eligible medical expenses.



Do I need to use all the funds in my HSA during the year?

No. HSA plans are not subject to IRS “Use It or Lose It” regulations. This means that funds in the account can continue to accumulate over time.

More questions?
Visit optumbank.com
for other frequently
asked questions.



Q&A

Optum

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