

# TEXFLEX

## Limited Flexible Spending Account (LFSA)



VISION



DENTAL



**The TexFlex LFSA is only available to eligible participants who enroll in Consumer Directed HealthSelect (a high deductible health plan with health savings account).**

The TexFlex limited flexible spending account (LFSA) lets you set aside money on a pre-tax basis—for both you and your eligible dependents—the same way a health care flexible spending account (health care FSA) does, except it is **limited to dental and vision expenses** so that it complies with IRS requirements.

### Who can enroll in LFSA?

Only employees enrolled in Consumer Directed HealthSelect can enroll in an LFSA. (Retirees aren't eligible).

If you enroll in Consumer Directed HealthSelect, you don't have to enroll in an LFSA. However, if you have a TexFlex health care FSA balance of \$25 to \$500, after August 31, 2017, an LFSA will be opened for you and your balance will be rolled over because IRS rules don't allow you to participate in both a health care FSA and an HSA. Any amount less than \$25 or over \$500 will be forfeited. (Participants have until December 31, 2017 to file claims for Plan Year 2017 expenses before funds are forfeited.)

If you have less than \$25 in your TexFlex health care FSA and enroll in an LFSA, that balance would be rolled over.

### Contribution limits

Because the LFSA is a pre-tax benefit, the IRS limits the amount you can contribute to your account. The limits are determined each year by the IRS. The annual minimum contribution amount is \$180 and the annual maximum contribution amount is \$2,600.

### How do I enroll?

During Summer Enrollment, contact your benefits coordinator or ERS, or log in to your ERS account and elect the annual contribution amount you would like deducted from your paycheck monthly. Your annual contribution will be deducted before taxes and in equal amounts throughout the year.

Remember, you must first enroll in Consumer Directed HealthSelect to enroll in an LFSA.

### What if I don't use all of my LFSA funds?

You can carry over up to \$500 of your TexFlex LFSA funds to the next plan year.

### What can I purchase with my LFSA funds?

You can only purchase eligible out-of-pocket dental and vision expenses. General health care expenses that are eligible under a health care FSA are NOT eligible under an LFSA. Visit [www.TexFlexERS.com](http://www.TexFlexERS.com) to see the TexFlex Limited Flexible Spending Account Eligible Expense Guide under "Program Resources".

### How can an LFSA save me money?

An LFSA lets you set money aside for eligible dental and vision expenses before taxes are taken out of your paycheck, which lowers your taxable income.

### Savings example

Annual Savings*	With LFSA	Without LFSA
Annual pay	\$40,000	\$40,000
LFSA pre-tax contribution	(\$2,000)	\$0
Taxable income	\$38,000	\$40,000
Federal income, Social Security & Medicare taxes	(\$8,179)	(\$8,832)
After-tax dollars spent on eligible expenses	\$0	(\$2,000)
Real spendable income	\$29,821	\$29,168
<b>Savings with an LFSA</b>	<b>\$653</b>	

\* Sample tax savings for a single taxpayer with no exemptions. Actual savings will vary based on your individual tax situation. Please consult a tax professional for more information.

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### Using your LFSA

When you enroll in an LFSA, you will automatically receive a free TexFlex debit card. The TexFlex debit card gives you immediate access to your entire annual contribution amount. Just swipe the card when it's time to pay for your eligible dental and vision expenses. Keep all receipts in case you're asked to provide verification of eligible expenses at a later time.



**Note:** *If you currently participate in the TexFlex health care FSA or the TexFlex commuter spending account and already have a TexFlex debit card, you won't receive another debit card, you'll use the same one.*

If paying for eligible dental and vision expenses out of pocket, you can file a claim online, by mail or fax. Claims are generally processed in 3 - 5 business days. Once your claim is approved, ADP reimburses you from your LFSA by sending a check or through direct deposit.

### What happens to my TexFlex LFSA if I leave state employment?

When you terminate employment you can only submit claims for eligible dental and vision expenses incurred through your termination date.

You can choose to continue participation in your LFSA through COBRA and could file claims for eligible expenses incurred throughout your participation.

Your TexFlex debit card, is deactivated on the last day of the month in which your employment ends.

### Where can I learn more?

Visit [www.TexFlexERS.com](http://www.TexFlexERS.com) for more information about the limited flexible spending account or call TexFlex Customer Care toll-free at **(844) 884-2364**. Representatives are available 7:00 a.m. to 7:00 p.m. CT, Monday - Friday.

### Call TexFlex about:

- Specific TexFlex account questions
- Claim reimbursement status
- Your TexFlex debit card and to request additional cards for eligible dependents at no cost

### TexFlex participant support

**TexFlex Customer Care:**  
(844) 884-2364 (toll-free)  
Monday - Friday  
7 a.m. - 7 p.m. CT  
TDD: 711

**Claims fax:**  
(866) 643-2219  
(toll-free)

**Mail:**  
WageWorks, Inc.  
5200 Commerce Crossings  
Suite 100  
Louisville, KY 40299

**Online:**  
[www.TexFlexERS.com](http://www.TexFlexERS.com)

For a complete list of eligible LFSA expenses, visit [www.TexFlexERS.com](http://www.TexFlexERS.com).

