

# Know Your FSA Eligible and Ineligible Expenses

## Use Your Health Care FSA Wisely

The Flexible Spending Account (FSA) is an IRS sanctioned benefit that allows you to use pretax dollars to cover eligible expenses. The IRS defines eligible health care expenses as amounts paid for the diagnosis, cure, mitigation or treatment of a disease, and for treatments affecting any part or function of the body. The expenses must be primarily to alleviate a physical or mental defect or illness.

Take a look at the following lists for a better understanding of what is and isn't eligible. Other expenses not specifically mentioned may also qualify (for additional information, please contact your Plan Administrator).

### Eligible Expenses

#### BABY/CHILD TO AGE 13

- Lactation Consultant\*
- Lead-Based Paint Removal
- Special Formula\*
- Tuition: Special School/Teacher for Disability or Learning Disability\*
- Well Baby Care

#### DENTAL

- Dental X-Rays
- Dentures and Bridges
- Exams and Teeth Cleaning
- Extractions and Fillings
- Gum Treatment
- Oral Surgery
- Orthodontia and Braces

#### EYES

- Artificial Eyes
- Eyeglasses and Contact Lenses
- Laser Eye Surgeries
- Prescription Sunglasses
- Radial Keratotomy/LASIK

#### HEARING

- Hearing Devices and Batteries
- Hearing Examinations

#### LAB EXAMS/TESTS

- Blood Tests and Metabolism Tests
- Body Scans
- Cardiographs
- Laboratory Fees
- Urine and Stool Analyses
- X-Rays

#### MEDICAL EQUIPMENT/SUPPLIES

- Abdominal and Back Supports\*
- Air Purification Equipment\*
- Arches and Orthopedic Shoes
- Contraceptive Devices
- Crutches and Wheel Chairs
- Exercise Equipment\*
- Hospital Beds
- Mattresses\*
- Medic Alert Bracelet or Necklace
- Oxygen\*
- Post-Mastectomy Clothing
- Prosthesis
- Splints/Casts or Support Hose\*
- Syringes
- Wigs\*

#### MEDICAL PROCEDURES/SERVICES

- Acupuncture
- Alcohol and Drug Addiction (inpatient and outpatient treatment)
- Ambulance
- Hospital Services
- Infertility Treatment
- In Vitro Fertilization
- Norplant Insertion or Removal
- Physical Examination (not employment-related)
- Reconstructive Surgery (due to a congenital defect or accident)
- Service Animals\*
- Sterilization/Sterilization Reversal
- Transplants (including organ donor)
- Transportation\*
- Vaccinations and Immunizations

#### MEDICATION

- Birth Control
- Homeopathic Medications\*
- Insulin
- Prescription Drugs
- Weight Loss Drugs\*

#### OBSTETRICS

- Lamaze Class
- Midwife Expenses
- OB/GYN Exams
- OB/GYN Prepaid Maternity Fees (reimbursable after date of birth)
- Pre- and Postnatal Treatments

#### PRACTITIONERS

- Allergist
- Chiropractor
- Christian Science Practitioner
- Dermatologist
- Homeopath or Naturopath\*
- Osteopath
- Physician
- Psychiatrist or Psychologist

#### THERAPY

- Alcohol and Drug Addiction
- Counseling (not marital or career)
- Exercise\*
- Hypnosis
- Massage\*
- Occupational
- Physical
- Speech
- Weight Loss Programs\*

Note: This list is not meant to be all-inclusive. Also, expenses marked with an asterisk (\*) are "potentially eligible expenses" that require a Note of Medical Necessity from your health care provider to qualify for reimbursement.

## Over-the-Counter Items Now through 12/31/2010

The IRS allows certain over-the-counter (OTC) medicines to be reimbursed using your FSA dollars. Here is a brief listing of some of those items:

### Eligible Over-the-Counter Items

<ul style="list-style-type: none"><li>▪ Acne Treatment Products</li><li>▪ Allergy/Asthma/Sinus Medications: Antihistamines, Asthma Flow Meters and Nebulizers, Nasal Spray, Nasal Strips, Asthma Mist</li><li>▪ Anti-arthritis: Chondroitin, Glucosamine</li><li>▪ Anti-fungal Products</li><li>▪ Baby Care: Diaper Rash Ointment, Pediatric Electrolyte Solutions, Petroleum Jelly, Thermometers</li><li>▪ Cold, Cough and Flu Medications: Capsules, Drops, Rubs, Syrups</li><li>▪ Condoms/Contraceptive Devices</li><li>▪ Denture Care Products</li><li>▪ Diabetes Care: Blood Test Strips, Glucose Food, Glucose Kits, Monitors and Testers</li><li>▪ Digestive Aids/Medications : Antacids, Antidiarrheals, Lactose Intolerance Medications, Laxatives</li><li>▪ Ear Care: Ear Drops, Ear Wax Removal</li></ul>	<ul style="list-style-type: none"><li>▪ Eye Care : Contact Lens Supplies, Eye Drops, Eye Patches, Reading Glasses</li><li>▪ First Aid Products: Analgesics, Antibiotic Ointments, Bandages, Bug Bite and Anti-Itch Medications, First Aid Kits, Gauze, Gloves, Hydrogen Peroxide, Medical Tape, Ointments, Pads and Elastic Bandages, Rubbing Alcohol, Sunburn Cream, Supports and Braces, Wart Removal Products, Wound Care Products</li><li>▪ Foot Care: Callous and Corn Removers, Creams, Cushions, Pads, Supports</li><li>▪ Health Monitors/Medical Equipment: Blood Pressure and Heart Rate Monitors, Cholesterol Tests, Crutches, Medical Bracelets and Necklaces</li><li>▪ Hand Sanitizers: Germ-X, Nexcare, Purell</li><li>▪ Hemorrhoid Treatments</li><li>▪ Homeopathic Medicines*</li><li>▪ Incontinence Supplies</li></ul>	<ul style="list-style-type: none"><li>▪ Lice and Scabies Treatment</li><li>▪ Nausea and Motion Sickness Medications</li><li>▪ Pain and Fever Reducers: Acetaminophen, Aspirin, Heating Pads, Ibuprofen, Menstrual Cycle and Migraine Medications, Muscle/Joint Pain Relief Creams and Balms</li><li>▪ Pregnancy Products: Ovulation Monitor, Pregnancy Testing Kits, Prenatal Vitamins</li><li>▪ Smoking Cessation Products: Gum and Lozenges, Inhalers, Nicotine Patches</li><li>▪ Thermometers for Adults</li><li>▪ Toothache and Teething Pain Relievers</li><li>▪ Weight Loss Drugs (to treat a specific medical condition)*</li></ul> <p><b>Check your plan document or Plan Administrator's website for more information.</b></p>
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## Over-the-Counter Items Effective 1/1/2011

Employees with an FSA can no longer use their account funds to purchase OTC drugs and medicines (e.g. Advil, ibuprofen, cough syrup) unless they have a Note of Medical Necessity (NMN) or a prescription from their doctor.

If an employee has an NMN or a prescription for an OTC drug or medicine, they must pay at the point of service and submit a manual claim for reimbursement.

Employees can continue to use their FSA funds to purchase OTC items that are not considered a drug or a medicine (e.g. bandages, wound care, contact lens solution). Benefits cards can continue to be used for these purchases.

## Ineligible Expenses

The IRS does not allow the following expenses to be reimbursed under FSAs, as they are not prescribed by a physician for a specific ailment.

*Note: This list is not meant to be all-inclusive. Also, expenses marked with an asterisk (\*) are "potentially eligible expenses" that require a Note of Medical Necessity from your health care provider to qualify for reimbursement.*

### Ineligible Expenses

<ul style="list-style-type: none"><li>▪ Baby-sitting and Child Care*</li><li>▪ Contact Lens or Eyeglass Insurance</li><li>▪ Cosmetic Surgery/Procedures</li><li>▪ Dancing/Exercise/Fitness Programs*</li><li>▪ Diaper Service</li><li>▪ Electrolysis</li></ul>	<ul style="list-style-type: none"><li>▪ Exercise Equipment or Personal Trainers</li><li>▪ Hair Loss Medication</li><li>▪ Hair Transplant</li><li>▪ Health Club Dues*</li><li>▪ Insurance Premiums and Interest</li><li>▪ Long-Term Care Premiums</li></ul>	<ul style="list-style-type: none"><li>▪ Marriage Counseling</li><li>▪ Maternity Clothes</li><li>▪ Sunscreen</li><li>▪ Swimming Lessons</li><li>▪ Teeth Bleaching or Whitening</li><li>▪ Vitamins or Nutritional Supplements*</li></ul>
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**For additional information, please contact your human resources department or Plan Administrator.**