

## FLEXIBLE SPENDING ACCOUNTS OVER-THE-COUNTER MEDICAL EXPENSES

### Special Requirements:

- The receipt attached to the claim form must indicate the name of the item, the date of service, and the amount paid
- Any items purchased in quantities of 4 or more will require a letter of necessity from a physician
- By signing the claim form, or using your card, you certify that the over-the-counter item purchased was primarily for medical care

### Examples of over-the-counter items allowed without requiring medical necessity:

#### Antiseptics

Antiseptic wash or ointment for cuts and scrapes  
 Bezocaine swabs  
 Boric Acid powder  
 First aid wipes  
 Hydrogen Peroxide  
 Iodine tincture  
 Rubbing Alcohol  
 Sublimed Sulfur powder

#### Asthma Medications

Bronchodilator/Expectorant tablets  
 Bronchial asthma inhalers

#### Cold, Flu, and Allergy Medications

Allergy medications  
 Cold relief syrup  
 Cold relief tablets  
 Cough drops  
 Cough syrup  
 Flu relief tablets or liquids  
 Medicated chest rub  
 Nasal decongestant inhaler  
 Nasal decongestant spray or drops  
 Nasal strips to improve congestion  
 Sinus and allergy homeopathic nasal spray  
 Sinus medications  
 Vapor patch cough suppressant

#### Diabetes

Diabetic lancets  
 Diabetic supplies  
 Diabetic test strips  
 Glucose meters

#### Ear/Eye Care

Airplane ear protection  
 Ear drops for swimmers  
 Ear water-drying aid  
 Ear wax removal drops  
 Homeopathic earache tablets  
 Contact lens solutions

#### Health aids

Antifungal treatments  
 Denture adhesives  
 Diuretics and water pills  
 Hemorrhoid relief  
 Incontinence supplies  
 Lice control  
 Medicated bandages  
 Motion sickness tablets  
 Respiratory stimulant ammonia  
 Sleeping aids

#### Pain Relief

Arthritis pain reliever  
 Bunion and blister treatments  
 Itch relief  
 Orajel  
 Pain relievers, aspirin and non-aspirin  
 Throat pain medications

#### Personal test kits

Cholesterol tests  
 Colorectal cancer screening tests  
 Home drug tests  
 Ovulation indicators

#### Skin Care

Acne medications  
 Anti-itch lotion  
 Bunion and blister treatments  
 Cold sore and fever blister medications

Corn and callus removal medications  
 Diaper rash ointment  
 Eczema cream  
 Medicated bath products  
 Sunscreen  
 Wart removal medications

#### Stomach Care

Acid reducers  
 Antacid gum  
 Antacid liquid  
 Antacid tablets  
 Anti-diarrhea medications  
 Gas prevent food enzyme dietary supplement  
 Gas relief drops for infants and children  
 Ipecac syrup  
 Laxatives  
 Pinworm treatment  
 Prilosec  
 Upset stomach medications

#### Examples of over-the-counter items allowed upon receipt of a physician's letter of necessity:

Adhesives or elastic bandages  
 Blood pressure meter  
 Cold or hot compresses  
 Eye drops  
 Foot spa  
 Gauze and tape  
 Gloves and masks  
 Herbs  
 Leg or arm braces  
 Massagers  
 Minerals  
 Multivitamins  
 Saline nose drops  
 Special supplements

Special teeth cleaning system  
 Thermometers  
 Vitamins

#### Examples of over-the-counter items that are NOT allowed:

Aromatherapy  
 Baby bottles and cups  
 Baby oil  
 Baby wipes  
 Breast enhancement system  
 Cosmetics  
 Cotton swabs  
 Dental floss  
 Deodorants  
 Facial care  
 Feminine care  
 Fragrances  
 Hair regrowth  
 Low "carb" foods  
 Low calorie foods  
 Oral care  
 Petroleum jelly  
 Shampoo and conditioner  
 Skin care  
 Spa salts  
 Sun tanning products  
 Tooth brushes

This list is not all inclusive.

## FLEXIBLE SPENDING ACCOUNTS REIMBURSABLE EXPENSES

The most common types of expenses that qualify for tax-free reimbursement are healthcare and dependent care. Only expenses not reimbursed by insurance can be claimed.

- Acupuncture (excluding remedies/treatments prescribed by acupuncturist)
- Alcoholism treatment
- Ambulance
- Artificial limbs/teeth
- Chiropractors
- Christian Science practitioner's fees
- Co-payments, deductibles and coinsurance
- Crutches
- Dental fees
- Drug and medical supplies (i.e. syringes, needles, etc.)
- Hearing devices and batteries
- Insulin
- Laboratory fees
- Obstetrical expenses
- Oral surgery
- Orthodontic fees
- Orthopedic devices
- Over-the-counter drugs
- Oxygen
- Physician fees
- Prescribed medicines
- Psychiatric fees
- Psychologist's fees
- Routine physicals and other non-diagnostic services or treatments
- Smoking-cessation programs, including over-the-counter treatments
- Surgical fees
- Vision care (includes eyeglasses, prescribed sunglasses, contact lenses, LASIK surgery)
- Wheelchair
- X-rays

### Non-Qualifying Healthcare expenses:

- Cord blood storage
- Cosmetic surgery and procedures
- Dental bleaching
- Hair removal or transplant

- Marriage and family counseling
- Medical alert devices such as bracelet or necklace
- Naturopathic treatments
- Physician retainer fee such as concierge practice membership fees
- Premiums you or your spouse pay for insurance coverage

### Qualifying Dependent Care expenses:

- Expenses necessary for you and your spouse (if married) to be gainfully employed. *(For additional information view IRS Publication 503.)*
- Nanny expenses, for services provided inside your home, are eligible to the extent they are attributable to dependent care expenses and expenses of incidental household services.
- Daycare care expenses incurred for services outside your home, providing they are incurred for the care of a qualifying dependent that regularly spends at least 8 hours/day in your home.
- Registration fees to a daycare facility as long as the fees are allocable to actual care and not described as materials or other fees. Food and incidental expenses (diapers, activities, etc.) may be eligible if part of dependent care charge
- Nursery school expenses are eligible, even if it furnishes lunch/educational services.
- Expenses paid to a relative (e.g. child, parent, or grandparent of participant) are eligible (the relative cannot be under age 19 or a tax dependent of the participant).
- FICA and FUTA payroll taxes of the daycare provider are eligible.
- Daycare care expenses incurred to enable the employee to find work.

### Dependent Care Reimbursement Limitations

Dependent Care reimbursement may not exceed the smaller of the following limits:

- The maximum allowed under the plan.
- \$5,000 (if you are married and filing a joint tax return or are filing as single, head of household) and \$2,500 if you are married and separate returns are filed.
- Your taxable compensation (after all compensation reduction elections).
- If you are married, your spouse's actual or deemed earned income.

### Non-Qualifying Dependent Care expenses

*(For additional information view IRS Publication 503.)*

- Kindergarten fees are almost always an education expense and should never be reimbursed under a dependent care plan; Elementary school expenses for a child in first grade or higher are not eligible.
- Food, transportation, and incidental expenses (diapers, activities, etc.) are not eligible if charged separately from dependent care expenses.
- Expenses paid to a housekeeper, maid, cook, etc. are not eligible, except where incidental to child or dependent adult care.
- Mass transit and parking.