

## **HEALTH CARE FLEXIBLE SPENDING ACCOUNT**

Examples of Eligible and Ineligible Expenses under a Health Care Flexible Spending Account\*

\*The following lists give you a general overview of qualified and non-qualified medical expenses. These lists are not all-inclusive, and are subject to change by the IRS, with the most recent change being the inclusion of over-the-counter medications and feminine hygiene products effective January 1, 2020. The IRS defines qualified medical expenses as amounts paid for the "diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body." Qualified medical expenses are eligible for reimbursement through your FSA as long as they are not reimbursed through insurance or any other source.

### **Dental Services/Vision Services**

- ✓ Artificial Teeth
- ✓ Contact Lenses
- ✓ Crowns/Bridges
- ✓ Dental Implants
- ✓ Dental Sealants
- ✓ Dental X-rays
- ✓ Dentures
- ✓ Exams/Teeth Cleaning
- ✓ Extractions
- ✓ Eye Exam
- ✓ Fillings
- ✓ Glasses
- ✓ Occlusal Guards
- ✓ Oral Surgery
- ✓ Orthodontia\*\*\*
- ✓ Prescription Sunglasses
- ✓ Reading Glasses

### **Insurance Related Items**

- ✓ Copay Amounts
- ✓ Deductibles
- ✓ Pre-existing Condition Expenses (medical)
- ✓ Private Hospital Room Differential

### **Lab Exams/Tests**

- ✓ Blood Tests
- ✓ Body Scan
- ✓ Cardiograph
- ✓ Colonoscopy
- ✓ CT Scan
- ✓ Diagnostic
- ✓ Echocardiogram
- ✓ EKG
- ✓ Endoscopy
- ✓ Fluoroscopy
- ✓ Laboratory Fees
- ✓ Metabolism Tests
- ✓ MRI
- ✓ PET Scan
- ✓ Sweat Tests
- ✓ Ultrasound
- ✓ Urine/Stool Analyses
- ✓ X-rays

### **Medications**

- ✓ Prescription Drugs

### **Obstetric Services**

- ✓ Childbirth Classes (Lamaze)
- ✓ Lactation Consultant
- ✓ Midwife Expenses
- ✓ OB/GYN Exams

- ✓ OB/GYN Prepaid Maternity Fees (reimbursable after date of birth)
- ✓ Pre-natal Medical Ultrasound
- ✓ Post-natal and Post-Natal Treatment

### **Other Medical Treatments or Procedures**

- ✓ Abortion (legal)
- ✓ Acupuncture
- ✓ Alcoholism (inpatient treatment)
- ✓ Ambulance Services
- ✓ Anesthesiology
- ✓ Breast Reconstruction Surgery
- ✓ Cancer Screening
- ✓ Clinical Trials
- ✓ Counseling
- ✓ Dialysis
- ✓ Drug Addiction Treatment
- ✓ Gastric Bypass Surgery
- ✓ Genetic Testing
- ✓ Hearing Exams
- ✓ Hospital Services
- ✓ Infertility
- ✓ In-vitro Fertilization
- ✓ Lasik/Laser and Vision Correction
- ✓ Norplant Insertion or Removal
- ✓ Patterning Exercises
- ✓ Physical Examination (if not employment related)
- ✓ Physical /Occupational Therapy
- ✓ Rolfling
- ✓ Smoking Cessation Programs
- ✓ Speech Therapy
- ✓ Sterilization
- ✓ Temporary Cord Blood Storage (when used)
- ✓ Temporary Egg and Sperm Storage (IVF)
- ✓ Transplants (including organ donor)
- ✓ Treatment for Handicapped
- ✓ Tubal Ligation
- ✓ Vaccinations/Immunizations
- ✓ Vasectomy
- ✓ Well Baby Care

### **Practitioners**

- ✓ Allergist
- ✓ Cardiologist
- ✓ Chiropractor
- ✓ Dermatologist
- ✓ Endocrinologist
- ✓ Gastroenterologist
- ✓ Genetic Counselor
- ✓ Homeopath
- ✓ Naturopath
- ✓ Nephrologist
- ✓ Nurse Practitioner
- ✓ Oncologist

- ✓ Ophthalmologist/Optomestrist
- ✓ Osteopath
- ✓ Physician (licensed medical professional)
- ✓ Physician Assistant
- ✓ Psychiatrist / Psychologist

### **Over the Counter Drugs**

- ✓ Acid Controllors
- ✓ Acne Medications
- ✓ Allergy & Sinus Medications
- ✓ Antacids
- ✓ Analgesics
- ✓ Anti-Diarrheal Medication
- ✓ Anti-Gas Products
- ✓ Anti-Itch & Insect Bite Creams
- ✓ Antihistamines
- ✓ Antibiotic Ointments
- ✓ Aspirin
- ✓ Baby Rash Ointments & Creams
- ✓ Birth Control & Contraceptive Pills
- ✓ Cold Sore Remedies
- ✓ Cough, Cold & Flu Medicines
- ✓ Decongestants
- ✓ Digestive Aids
- ✓ Eczema Treatments
- ✓ Expectorants
- ✓ Feminine Anti-Fungal Treatments
- ✓ Fever Reducing medications
- ✓ First Aid Creams
- ✓ Glucosamine & Chondroitin
- ✓ Headache medications
- ✓ Hemorrhoidal Preparations
- ✓ Laxatives
- ✓ Lip Products, medicated
- ✓ Menstrual Pain Relievers
- ✓ Motion Sickness Medications
- ✓ Pain Relievers
- ✓ Respiratory Treatments
- ✓ Sleep Aids and Sedatives
- ✓ Stomach Remedies
- ✓ Throat Lozenges
- ✓ Toothache Relievers
- ✓ Visine and other Eye Drops
- ✓ Wart Removal
- ✓ Yeast Infection Medications

### **Other Medical Equipment,**

#### **Supplies and Services**

- ✓ Abdominal/Back Supports
- ✓ Artificial Limbs
- ✓ Automated External Defibrillator
- ✓ Blood Pressure Monitoring devices
- ✓ Blood Sugar Test Kits and supplies
- ✓ Braille Books and Magazines
- ✓ Breast Pumps and Lactation supplies
- ✓ Carpal Tunnel Wrist supports

**Other Medical Equipment, Supplies and Services (cont'd)**

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|---|--|---|
| ✓ Compression Hose/Stockings  | ✓ Hearing Aids and Batteries                                       | ✓ Pregnancy test kits                                 |
| ✓ Contact Lens Material and Equipment                                 | ✓ Heating Pads   | ✓ Prosthesis  |
| ✓ Cold/hot packs for injuries   | ✓ Hospital Bed   | ✓ Rubbing alcohol                                     |
| ✓ Condoms   | ✓ Incontinence supplies  | ✓ Sanitary Napkins/Pad/Liners                         |
| ✓ CPAP Devices  | ✓ Insulin  | ✓ Splints/Casts                                       |
| ✓ Crutches  | ✓ Learning Disability (special school/teacher)                     | ✓ Sunscreen (SPF 15 or higher)                        |
| ✓ Denture Adhesives   | ✓ Lodging for Medical Care (limited)                               | ✓ Support Braces                                      |
| ✓ Diabetic Supplies   | ✓ Mastectomy related bra   | ✓ Syringes  |
| ✓ Durable Medical Equipment   | ✓ Medic Alert Bracelet or Necklace                                 | ✓ Tampons   |
| ✓ Ear Plugs   | ✓ Medical Records Charges  | ✓ Thermometers  |
| ✓ Ear Wax Removal Treatments  | ✓ Menstrual Products   | ✓ Transportation Expenses (essential to medical care) |
| ✓ Elastic Bandages  | ✓ Motion Sickness Wristbands                                       | ✓ Tuition Fee at Special School for Disabled Child    |
| ✓ Erectile Dysfunction Treatment                                      | ✓ Nasal strips or sprays   | ✓ Walkers   |
| ✓ Feminine Hygiene Products   | ✓ Neti Pot   | ✓ Wheelchair  |
| ✓ First aid kits  | ✓ Nicotine gum, lozenges or patches for smoking cessation purposes |   |
| ✓ Flu Shots   | ✓ Ostomy, Colostomy Supplies                                       |   |
| ✓ Glucose monitoring Equipment  | ✓ Ovulation Monitor  |   |
| ✓ Guide Dog (for visually/hearing impaired person), Care and Training | ✓ Oxygen Equipment   |   |
|   | ✓ Pedialyte/Rehydration solutions                                  |   |

**Other items that may be covered when accompanied by a medical practitioner's note or prescription. Items must be used to treat a specific medical condition of limited duration:**

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|---|--|---|
| ✓ Capital Expenses  | ✓ Hand Sanitizer   | ✓ Personal Trainer                              |
| ✓ Cosmetic Surgery-covered only when treating a congenital abnormality, a personal injury resulting from an accident or trauma or disfiguring disease | ✓ Heart Rate Monitors  | ✓ Pills for persons who are lactose intolerant  |
| ✓ Dietary or herbal medicines to treat a specific medical condition   | ✓ Hormone Replacement Therapy  | ✓ Prenatal vitamins                             |
| ✓ Equipment, supplies and materials related to physical/mental handicaps.   | ✓ Humidifier   | ✓ Probiotics                                    |
| ✓ Fiber supplements to treat a specific medical condition   | ✓ Marriage Counseling  | ✓ Supplements treating a medical condition      |
| ✓ Gym or Health club monthly fee  | ✓ Massage Therapy  | ✓ Toothpaste (prescription only)                |
|   | ✓ Medicated shampoos and soaps, unless prescribed by a medical practitioner for a specific scalp/skin infection                                      | ✓ Varicose Vein Treatment                       |
|   | ✓ Nutritionist   | ✓ WaterPik/Electric Flosser                     |
|   | ✓ Orthopedic shoes, Arch Supports and inserts (for orthopedic shoes, you can only be reimbursed for the extra cost over buying non-orthopedic shoes) | ✓ Weight loss drugs to treat a specific disease |
|   |  | ✓ Weight loss program fees                      |
|   |  | ✓ Wigs (hair loss due to disease)               |

**Claims substantiation:** The participant must submit adequate claim substantiation. The receipt must state the name of the medicine or drug, the purchase date and the amount paid. The participant must sign the reimbursement form indicating that the claim was for the individual, their spouse, or eligible dependent. Where a physician's note is required, it must state the precise medical condition.

**Items that are NOT eligible for reimbursement under a Health Care Flexible Spending Account:**

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|--|--|---|
| ✓ Baby Formula                         | ✓ Exercise Equipment for General Health  | ✓ Nursing Home                                  |
| ✓ Breast implants (cosmetic)           | ✓ Facial Creams and Cleansers  | ✓ Personal hygiene products                     |
| ✓ Burial Expenses                      | ✓ Finance Charges  | ✓ Prepayments for Services                      |
| ✓ COBRA Premiums                       | ✓ Home Drug Testing Kits   | ✓ Propecia and Rogaine for cosmetic hair growth |
| ✓ Concierge, Boutique or Practice Fees | ✓ Hot Tubs/Jacuzzis  | ✓ Premiums for group health coverage            |
| ✓ Cosmetic Surgery                     | ✓ Household Help   | ✓ Special foods                                 |
| ✓ Cosmetics                            | ✓ Illegal operations, treatments and medications, including medications obtained illegally | ✓ Sports Drinks                                 |
| ✓ CPR Classes                          | ✓ Items paid or payable by insurance   | ✓ Suntan lotion                                 |
| ✓ Dehumidifier                         | ✓ Insurance Premiums   | ✓ Tanning Salon                                 |
| ✓ Dental Whitening or Bleaching        | ✓ Late Fees  | ✓ Toiletries                                    |
| ✓ Diet Foods                           | ✓ Maternity Clothes  | ✓ Toothpaste                                    |
| ✓ Dietary supplements                  | ✓ Mattresses   | ✓ Toothbrushes (electric or otherwise)          |
| ✓ Discount Plan Expenses               | ✓ Medical Marijuana  | ✓ Ultrasound, Voluntary Pre-Natal               |
| ✓ Ear Piercing                         |  | ✓ Veneers                                       |

\*Updated 7/6/2021. For the most up-to-date information, please visit: <https://www.irs.gov/publications/p969> for rules regarding Flexible Spending Arrangements and <https://www.irs.gov/pub/irs-pdf/p502.pdf> for Qualifying Medical Expenses

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|---------------------------------------|---------------------------|---|
| ✓ Educational Classes                 | ✓ Missed Appointment Fees | ✓ Vision Discount Program Cost                    |
| ✓ Electrolysis and other Hair Removal | ✓ Moisturizers            | ✓ Warranties for glasses or other medical devices |
| ✓ Electronic Cigarettes               | ✓ Newborn Care Classes    |   |
|                                       | ✓ Nursing Pillows         |   |

### Whose Medical Expenses can I Reimburse?

You can generally include medical expenses you pay for yourself as well as those you pay for someone who was your spouse, qualifying child or qualifying relative when the product or services were acquired. **Domestic partners do not qualify for reimbursement unless they are a qualifying relative.**

- A *qualifying child* is an individual who (a) bears a specified relationship to the employee (relationship test); (b) has the same principal abode as the employee for more than half of the year (residency test); (c) meets certain age requirements (age test); (d) has not provided more than half of his or her own support for the year (limited self-support test); and (5) has not filed a joint tax return (other than only for claim of refund) with his or her spouse for the year (marital/tax filing status test).
- A *qualifying relative* is an individual (a) who bears a specified relationship to the employee (relationship test); (b) whose gross income is less than the exemption amount in Code §151(d) (income test); (c) with respect to whom the employee provides over half of the individual's support (support test); and (d) who is not anyone's qualifying child.
- *Individuals Who Generally Are Ineligible Under Code §152.* An individual generally will not be a Code §152 dependent if he or she is a dependent of a Code §152 dependent, a married dependent filing a joint tax return, or a citizen or national of a country other than the United States.

### Orthodontia Special Note:

As orthodontia treatment typically spans over a period of years, individuals are often charged an initial, up-front payment and then must make periodic payments over the rest of the treatment period. FSA reimbursement is based on service date(s), therefore **the expense must be claimed within the active treatment period**. The contract Start Date and estimated Length of Treatment are required to determine the amount eligible for reimbursement within the FSA plan year.

*If orthodontic contract does not indicate insurance information, we will require you to submit the lifetime maximum for orthodontia from insurance carrier.*

\*Updated 7/6/2021. For the most up-to-date information, please visit: <https://www.irs.gov/publications/p969> for rules regarding Flexible Spending Arrangements and <https://www.irs.gov/pub/irs-pdf/p502.pdf> for Qualifying Medical Expenses