

FLEXIBLE SPENDING ACCOUNT

Examples of Eligible Expenses

**Additional Resource: See IRS
Publication 502 for more
information**

To qualify for reimbursement, health care expenses not covered by your medical and dental plan must be considered expenses for medical care under Section 105(b) or 213(d)(1) of the Internal Revenue Code. Examples include:

- Deductibles and copayments under your medical and dental plan or other medical and dental plan covering your eligible dependents, such as:
 - Hospital deductible and copayment
 - Physician visit copayment
 - Prescription drug copayment
 - Durable medical equipment, including diabetic test strips and syringes
 - Dental copayments for restorative care or orthodontia or dental implants
- Expenses not paid by your medical and dental plan or by any other medical or dental plan covering your eligible dependents, such as:
 - Prescription eyeglasses, contact lenses, and laser eye surgery
 - Hearing care, including hearing aids and tests not reimbursed by your medical plan
 - Blood pressure monitor with doctor's order for treatment of a medical condition
 - Services and prescription drugs for infertility treatment
 - Uncovered health care services obtained outside of the provider network
 - Mental health copayments and services over medical limits
 - Smoking cessation drugs prescribed by a physician
- Transportation expenses primarily for and essential to medical care:
 - **2009**
 - Car reimbursement rate of 24 cents per mile for claims on and after January 1, 2009.
 - **2010**
 - Car reimbursement rate of 16.5 cents per mile for claims on or after January 1, 2010.
- Effective January 1, 2010, the IRS has decreased the medical mileage rate to 16.5 cents per mile.
- Weight-loss programs related to hypertension, diabetes, or other medical conditions
- Expenses in excess of medical or dental plan limits (e.g., orthodontic expenses greater than the limit set by your dental plan)
- Eye care supplies, such as contact lens cleaning or saline solutions
- Charges for certain other medical services that would qualify as tax deductible medical expenses under IRS rules (note that not all expense items listed in IRS Publication 502 are reimbursable expenses under a Health Care Flexible Spending Account)
- Certain over-the-counter items purchased for treatment of a specific medical condition, provided they are purchased in reasonable quantities, such as one- to two-month supplies. Examples include:
 - Allergy medicine
 - Analgesics (pain relievers)
 - Antacids/anti-diarrhea
 - Calamine lotion
 - Cold and flu medicines
 - Contraceptives
 - Corn and callus removers
 - Cough drops/cold lozenges
 - Diaper rash ointment
 - Electrolyte replacement therapy
 - Expectorants/cough medicines
 - Eye drops
 - Fiber supplements
 - First aid supplies
 - Hemorrhoid treatments
 - Incontinence supplies
 - Insect bite/sting medicine
 - Menstrual pain relievers
 - Motion sickness medicines
 - Muscle/joint pain relievers
 - Nasal sprays for sinus conditions
 - Nicotine patches/gum/lozenges
 - Pain relievers
 - Pregnancy tests
 - Probiotics
 - Sinus medications
 - Sleeping aids
 - Sunburn treatments
 - Sunscreen
 - Wart removal treatments

- Certain over-the-counter expenses with additional substantiation; this includes a medical provider's statement that the over-the-counter item is being purchased for a specific, named medical condition. Examples include:

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| ○ Acne treatment | ○ Joint treatment (e.g., Glucosamine) |
| ○ Antiperspirants | ○ Lactose intolerance medicines |
| ○ Arthritis treatment (Chondroitin) | ○ Nasal treatments for snoring |
| ○ Breast Pump | ○ Orthopedic inserts/shoes |
| ○ Dietary supplements (certain vitamins and minerals) | ○ Prenatal vitamins |
| ○ Herbal medicines | ○ St. John's Wort |
| ○ Hormone therapy | ○ Weight-loss drugs |

Examples of Ineligible Expenses

- Cosmetic surgery or treatment, such as a facelift, liposuction, hair transplants, electrolysis, collagen injections, Botox injections
- Dental procedures done solely for cosmetic reasons, such as bleaching, bonding, laminates, or veneers
- Drugs, such as Retin-A, Minoxidril, Propecia, or Rogaine, used solely for cosmetic reasons
- Eye wear service agreement or insurance unless it includes a check-up
- Finance charges, late fees, or charges for failed/missed appointments
- Health club dues, YMCA/YWCA dues, or charges for steam baths or massages for your general health or to relieve physical or mental discomfort
- Non-prescription eyeglasses, sunglasses, clip-ons, and contact lenses
- Premiums for long-term care coverage
- Massage therapy unless prescribed by a physician for a specific medical condition
- Weight-loss programs for your general health even when prescribed by a physician
- Expenditures that are merely beneficial or educational for your general health
- Expenses that are incurred before your election effective date or after March 15 of the following year
- Expenses that are incurred after your termination date unless you elect to prefund your account or continue through COBRA (see Flexible Spending Account Guide for more details)
- Premium payments for any insurance or HMO contract, such as the insurance premium paid for an individual policy or for the group insurance/HMO premium for you or your eligible dependents even if the premium was paid with after-tax dollars
- Any expense that may be reimbursed from another source, such as insurance
- Certain over-the-counter expenses, such as:

○ Blemish concealer	○ Lip balms (e.g., ChapStick®)
○ Cosmetics	○ Medicated shampoos
○ Dental care products (dental floss, toothpaste/brushes, cleaning systems)	○ Moisturizers/skin lotions
○ Deodorant	○ Mouthwash/fluoride rinse
○ Depilatories	○ Soaps
○ Dietary food or drink products	○ Suntan lotions
○ Facial creams	○ Teeth-whitening products
○ Feminine Hygiene products	○ Toiletries
	○ Hair growth treatments
	○ Most vitamins and minerals