

# Know Your FSA/HRA Eligible & Ineligible Expenses!

## Use Your Health Care FSA or HRA Wisely

The Flexible Spending Account (FSA) is part of your Cafeteria Plan which is an IRS sanctioned benefit that allows you to use pretax dollars to cover eligible expenses. A Health Reimbursement Arrangement (HRA) is an employer program that reimburses employees for certain eligible expenses on a nontaxable basis. 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 Bern & Pugh, Inc.).

## 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
- Periodontal Services

### EYES

- Eye Exams
- 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.*



Please Note: The IRS does not allow Over-the-Counter (OTC) medicines or drugs to be purchased with Health Care FSA or HRA funds unless accompanied by a prescription and the prescription is filled by a pharmacist.

## **InEligible Over-the-Counter Expenses** *(unless prescribed in accordance with State Laws)*

- Acid controllers
- Acne medications
- Allergy & sinus
- Antibiotic products
- Antifungal (Foot)
- Antiparasitic treatments
- Antiseptics & wound cleansers
- Anti-diarrheals
- Anti-gas
- Anti-itch & insect bite
- Baby rash ointments & creams
- Baby teething pain
- Cold sore remedies
- Contraceptives

- Cough, cold & flu
- Denture pain relief
- Digestive aids
- Ear care
- Eye care
- Feminine antifungal & anti-itch
- Fiber laxatives (bulk forming)
- First aid burn remedies
- Foot care treatment
- Hemorrhoidal preps
- Homeopathic remedies
- Incontinence protection & treatment products
- Laxatives (non-fiber)

- Medicated nasal sprays, drops, & inhalers
- Medicated respiratory treatments & vapor products
- Motion sickness
- Oral remedies or treatments
- Pain relief (includes aspirin)
- Skin treatments
- Sleep aids & sedatives
- Smoking deterrents
- Stomach remedies
- Unmedicated nasal sprays, drops & inhalers
- Unmedicated vapor products

OTC items that are not medicines or drugs remain eligible for purchase with FSAs and HRAs.

## **Eligible Over-the-Counter Items** (Product categories are listed in bold face; common examples are listed in regular face.)

- **Baby Electrolytes and Dehydration**  
Pedialyte, Enfalyte
- **Contraceptives**  
Unmedicated condoms
- **Denture Adhesives, Repair, and Cleansers**  
PoliGrip, Benzodent, Plate Weld, Efferdent
- **Diabetes Testing and Aids**  
Ascencia, One Touch, Diabetic Tussin, insulin syringes; glucose products
- **Diagnostic Products**  
Thermometers, blood pressure monitors, cholesterol testing
- **Ear Care**  
Unmedicated ear drops, syringes, ear wax removal

- **Elastics/Athletic Treatments**  
ACE, Futuro, elastic bandages, braces, hot/cold therapy, orthopedic supports, rib belts
- **Eye Care**  
Contact lens care
- **Family Planning**  
Pregnancy and ovulation kits
- **First Aid Dressings and Supplies**  
Band Aid, 3M Nexcare, non-sport tapes
- **Foot Care Treatment**  
Unmedicated corn and callus treatments (e.g., callus cushions), devices, therapeutic insoles
- **Glucosamine &/or Chondroitin**  
Osteo-Bi-Flex, Cosamin D, Flex-a-min  
Nutritional Supplements

- **Hearing Aid/Medical Batteries**
- **Home Health Care (limited segments)**  
Ostomy, walking aids, decubitis/pressure relief, enteral/parenteral feeding supplies, patient lifting aids, orthopedic braces/supports, splints & casts, hydrocollators, nebulizers, electrotherapy products, catheters, unmedicated wound care, wheel chairs
- **Incontinence Products**  
Attends, Depend, GoodNites for juvenile incontinence, Prevail
- **Prenatal Vitamins**  
Stuart Prenatal, Nature's Bounty Prenatal Vitamins
- **Reading Glasses and Maintenance Accessories**

## **Ineligible Expenses**

The IRS does not allow the following expenses to be reimbursed under a Health Flexible Spending Account or HRA, as they are not prescribed by a physician for a specific ailment.

- Child Care\*\* (See Below)
- Insurance Premiums\*\* (See Below)
- Cosmetic Surgery/Procedures
- Dancing/Exercise/Fitness Programs\*
- Diaper Service
- Electrolysis

- Exercise Equipment or Personal Trainers
- Hair Loss Medication
- Hair Transplant
- Health Club Dues\*
- Long-Term Care Premiums
- Marriage Counseling

- Maternity Clothes
- Sunscreen
- Swimming Lessons
- Teeth Bleaching or Whitening
- Vitamins or Nutritional Supplements\*

*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. \*\*Child Care expenses could run through a Dependent Care Assistance Program (DCAP) if allowed in your full flex plan. Insurance Premiums could run through the Premium Program, if allowed in your full flex plan.*

For additional information, please contact your human resources department or Bern & Pugh, Inc. at 406-727-4969.