

## **Eligible and Ineligible Expenses for FSA and HRA Plans**

Getting Reimbursement for Qualified Health Care Expenses from your Health Care Flexible Spending Account (FSA) or Health Reimbursement Account (HRA)

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### **Major Change for Over-The-Counter Medicines**

**Starting January 1, 2011** you will not be able to use these spending accounts to pay for most over-the-counter drugs and medicines unless you have a doctor's prescription. You will not need a prescription for [insulin](#) and [diabetic supplies](#).

### **What FSA and HRA expenses can be reimbursed?**

You can use your HRA, or Health Care FSA to reimburse yourself for medical and dental expenses that qualify as federal income tax deductions (whether or not they exceed the IRS minimum applied to these deductions) under Section 213 (d) of the tax code.

### **Whose expenses can be reimbursed?**

**HRA** - Money in the HRA can only be used to pay for eligible medical expenses incurred by employees and their dependents enrolled in the HRA. An employer may limit what expenses are eligible under an HRA plan.

**Health Care FSA** - Money in the FSA can be used to reimburse yourself for medical and dental expenses incurred by you, your spouse or eligible dependents (children, siblings, parents and other dependents as defined in your plan documents).

“Medical care” expenses as defined by IRS Code, Section 213 (d) include amounts paid for the diagnosis, treatment, or prevention of disease, and for treatments affecting any part or function of the body. The expenses must be to alleviate or prevent a physical defect or illness. Expenses for solely cosmetic reasons generally are not expenses for medical care. Examples include face lifts, hair transplants, and hair removal (electrolysis). Also, expenses that are merely beneficial to one's general health (for example, vacations) are not expenses for medical care.

*This list reflects Internal Revenue Service guidelines for deductible medical expenses. This is not a complete list, but is intended to provide Plan participants with examples of items that may or may not be eligible. These items may change and be subject to further restriction based on regulations, revenue rulings and case law. (Limited Medical FSA/HRA Plan participants should check their plan highlights to see what items are eligible.) Further questions regarding health care expenses should be referred to a tax consultant.*

## **A-Z List of Items** (effective 1/1/2011)

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### **A-D**

**Abortion** - Medical expenses associated with a legal abortion are reimbursable.

**Acid controllers** – *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#)

**Acne laser treatment** - Expenses paid for acne treatment are covered.

**Acne medications** – *requires a doctor's prescription for reimbursement*; see [Over the-counter medicines](#)

**Acupuncture** - Medical expenses paid for acupuncture are reimbursable.

**Adoption** - The cost of the adoption itself is not covered, however things like physicals for the adoptive parents, [pre-adoption counseling](#), and other health related expenses may be covered.

**Adult diapers** - Expenses paid for adult diapers are reimbursable.

**After-sun gel/lotions with aloe** - medicated gels and lotions to treat effects of sun exposure are covered ; *requires a doctor's prescription for reimbursement*

**Age Management Systems** (Cenegenics) - This is a comprehensive, evidence-based approach to age management and includes a set of diagnostics establishing a hormonal, metabolic and physical baseline. This is considered general well being and would not be covered (unless prescribed by a physician to treat a medical condition).

**Airplane air contaminant protection** - over-the-counter medications to prevent the spread of airborne contaminants while flying; *requires a doctor's prescription for reimbursement*

**Alcoholism and drug abuse** - Medical expenses paid to a treatment center for alcohol or drug abuse are reimbursable. This includes [meals and lodging](#) provided by the center during treatment.

**Allergy and sinus** - *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#)

**Alternative providers** - Expenses paid to alternative providers for homeopathic or holistic treatments or procedures are generally not covered unless to treat a specific medical condition; *requires a doctor's prescription for reimbursement*. Naturopathic procedures or treatments using natural agents such as air, water or sunshine are generally not reimbursable.

**Ambulance** - Medical expenses paid for ambulance service are reimbursable.

**Annual medical contract** - fees for exclusive provider care are not reimbursable.

**Antibiotic products, non-prescribed** - *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#)

**Anti-itch and insect bite** - *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#)

**Artificial limb** - Medical expenses paid for an artificial limb are reimbursable.

**Artificial teeth** - See [Medical aids](#).

**Attendant** - See [Nursing services](#).

**Automobile** - See [Car](#).

**Back brace** - Expenses paid for a back brace are reimbursable when submitted with proper documentation

**Batteries** - Expenses paid for the purchase of batteries are reimbursable when they are used for the sole purpose of an item that is also covered. This would include, but not be limited to, batteries for blood pressure machines, wheelchairs, heart defibrillators, etc. Request for reimbursement should include a description of the item the batteries are purchased for.

**Benefit maximum** - Expenses denied by medical insurance due to benefit maximum(s) having been exhausted are reimbursable.

**Birth control pills and devices** - Medical expenses paid for birth control pills, injections and devices are reimbursable.

**Birthing Tub** - The cost of rental or purchase is reimbursable.

**Blood pressure monitor** - Expenses paid for the purchase of the monitor are reimbursable.

**Braille books and magazines** - The amount by which the cost of Braille books and magazines for use by a visually impaired person exceeds the price for regular books and magazines is reimbursable.

**Breast augmentation** - Expenses related to breast augmentation (such as implants or injections) are not reimbursable as the procedure is cosmetic in nature. However, medical costs related to the removal of breast implants that are defective or are causing a medical problem are reimbursable.

**Breast Pump, Shields, Gel Pads** - Expenses for breast pumps and supplies that assist lactation are considered medical care under §213(d) of the IRS Code and are reimbursable.

**Breast reduction** - Medical expenses related to breast reduction surgery are reimbursable only with a **physician's diagnosis letter** explaining that the procedure is medically required and not for cosmetic purposes (that is, to prevent or treat an illness or disease).

**Breathing strips** - *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#).

**Capital expenses** - If their main purpose is medical care capital expenses paid for special equipment installed in a participant's home or for improvements to the home are reimbursable. See [here](#) for more information.

**Car** - Medical expenses are reimbursable for special hand controls and other special equipment installed in a car for the use of a person with disabilities. Also, the amount by which the cost of a car specially designed to hold a wheelchair exceeds the cost of a regular car, is a reimbursable medical expense. However, the cost of operating a specially-equipped car is not reimbursable. See [Transportation](#).

**Chair** - The cost of a reclining chair purchased on the advice of a physician to alleviate a heart, back or other condition is reimbursable; *requires a doctor's prescription for reimbursement*

**Child Care** - See [Dependent day care expenses](#).

**Childbirth classes** - Expenses for childbirth classes are reimbursable, but are limited to expenses incurred by the mother-to-be. Expenses incurred by a "coach"- even if that is the father-to-be are not reimbursable. To qualify as medical care, the classes must address specific medical issues, such as labor, delivery procedures, breathing techniques and nursing.

**Chiropractor** - Expenses paid to a chiropractor for medical care are reimbursable.

**Christian Science practitioners** - Medical expenses paid to Christian Science practitioners are reimbursable.

**Clinic** - Medical expenses for treatment at a health clinic are reimbursable.

**Clothing** - The cost of clothing - even if prescribed - that substitutes for normal clothing is not deductible. However, prescribed special clothing purchased to alleviate or treat an illness or disease is reimbursable only to the extent that the cost is greater than the cost of the item(s) commonly available.

**COBRA premiums** - COBRA premiums that you pay for yourself or your eligible dependents are not reimbursable under a Health FSA.

**Coinsurance amounts** - Medical coinsurance amounts and deductibles are reimbursable.

**Composite Fillings** - White (composite) fillings are covered.

**Compound medications** - Medications produced by medical professionals to treat a medical condition are reimbursable; *with a physician's statement of medical necessity*

**Conference** - Amounts paid by an individual for admission and transportation to a medical conference relating to the chronic disease of the individual or individual's eligible dependent are deductible if the costs are primarily for and essential to the medical care of the chronic disease. The cost of meals and lodging while attending the conference are not deductible as medical expenses. The claim submission must include the diagnosis.

**Contact lenses** - See [Vision care](#).

**Copies of medical records or radiographs** - Payments required to have medical records or radiographs duplicated are reimbursable.

**Corn pads** - *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#).

**Cosmetic procedures** - Medical expenses for cosmetic procedures are reimbursable only if the procedure is necessary to improve a deformity arising from, or directly related to, a congenital abnormality, a personal injury resulting from an accident or trauma, or a disfiguring disease. However, medical expenses paid for other cosmetic procedures are not deductible medical expenses under Code Section 213 (d), and thus are not reimbursable. This applies to any procedure that is directed at improving the patient's appearance and does not meaningfully promote the proper function of the body or prevent or treat illness or disease. For example, face lifts, hair transplants, hair removal (electrolysis), liposuction, teeth bleaching and dental veneers are generally not deductible. *If there is a concern that a medical or dental procedure could be considered cosmetic, a doctor's prescription with medical condition is required.*

**Cough, cold and flu medicines** - *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#)

**CPAP** (Sleep Apnea) machine and supplies are covered.

**CPR classes** - Expenses paid for CPR classes as part of birthing classes are reimbursable, otherwise a *doctor's prescription with medical condition is required*

**Crutches** - Medical expenses paid to buy or rent crutches are reimbursable.

**Cushions** – *requires a doctor's prescription for reimbursement*; cushions, including inflatable, to treat a medical condition

**Dancing lessons, swimming lessons, etc.** - Dancing swimming lessons, etc., are not reimbursable, even if they are recommended by a doctor.

**Day-after pill** - the purchase of pills to eliminate pregnancy risk is reimbursable.

**Day care** - See [Dependent day care expenses](#).

**Deductibles** - Medical insurance deductibles and co-pay amounts under the employer's plan are reimbursable.

**Dental Enamel Micro-Abrasion** - This is also known as dental bleaching. Service is only covered when recommended by a healthcare professional to treat a medical condition; *requires a doctor's prescription for reimbursement*

**Dental treatment** - Includes fees paid to dentists for X-rays, models and molds, fillings, braces, extractions, dentures, dental implants and the difference in cost from insurance-approved restorations and alternative materials, etc. Veneers are covered only when medically necessary, but are not covered for purely cosmetic reasons. See [Cosmetic procedures](#).

**Dependent day care expenses** - Dependent day care expenses are only reimbursable under a dependent care FSA.

**Diabetic Supplies** – are reimbursable. See [Insulin](#)

**Diaper service** - Payments for diapers or diaper services are not reimbursable unless they are needed to relieve the effects of a particular disease; *requires a doctor's prescription for reimbursement*

**Diets** - See [Special foods](#).

**Disability** - See [Braille books, and magazines](#); [Capital Expenses](#); [Car](#); [Guide dog or other animal](#); [Learning disability](#); [Mentally retarded special home for](#); [Personal use items](#); [Schools, Special](#); [Television](#); [Therapy](#); [Transportation](#); and [Wheelchair](#).

**Domestic help**- fees for services of a non-medical nature are not reimbursable.

**Donor egg extraction** - Procedural expenses paid for the process of donor egg extraction to treat infertility are reimbursable.

**Doula** - Expenses paid for doula whose primary purpose is for delivery of the infant are reimbursable. Charges where the primary purpose is child care after delivery are not covered. An explanation of the primary purpose should accompany the claim.

**Driving Lessons** - Service is only covered when recommended by a healthcare professional in order for the handicapped person to learn to use special vehicle equipment.

**Drugs** - See [Medicines](#).

**Drug addiction** - See [Alcoholism and drug abuse](#).

**Dry cast, protectors** - The purchase of dry casts and bandage protectors are reimbursable.

## **E-L ([back to top of list](#))**

**Ear molds** - Expenses for ear molds are reimbursable.

**Ear piercing** - Expenses for ear piercing are not reimbursable.

**Ear wax removal** - The purchase of ear wax removal kits are reimbursable; see [Kits](#)

**Electric toothbrush** - Expenses paid for the purchase of electric toothbrushes are reimbursable; *a doctor's prescription with medical condition is required.*

**Electrolysis or hair removal** - See [Cosmetic procedures](#).

**Embryo storage** - Expenses paid for embryo storage are reimbursable.

**Employment-related expenses** - Employment-related expenses such as employment physicals are not reimbursable. See [Physical exams](#).

**Employment taxes** - See [Nursing services](#).

**Exercise equipment** - The cost of exercise equipment for general well-being is not reimbursable. If the equipment is prescribed by a physician to treat specific medical conditions (e.g. diabetes), then the expense should be reimbursable; *a doctor's prescription with medical condition is required.*

**Eye drops** - *requires a doctor's prescription for reimbursement*; See [Over-the-counter medicines](#)

**Fitness programs** - Fitness programs or physical therapy for general health are not reimbursable; *requires a doctor's prescription with medical condition for reimbursement* ; See [Health Club dues](#)

**Flavorings, Medicine** - are not reimbursable

**Fluoride, prescribed** - Expenses paid for fluoride toothpaste or rinses prescribed to treat a specific medical condition are covered; *a doctor's prescription with medical condition is required*

**Food** - See [Special foods](#).

**Forms Completion** - Charges incurred by the member for provider completion of required forms (i.e.) disability form is covered.

**Funeral expenses** - Expenses for funerals are not reimbursable.

**Gauze and/or Gauze Bandages** - Purchases of these items are covered.

**Genesis** - Expenses paid for genesis to treat conditions such as rosacea are reimbursable.

**Gift card purchases** - Gift cards can be used to purchase eligible items and the receipts for those items can then be submitted for reimbursement.



**Gloves, latex** - Expenses paid for latex gloves are reimbursable.

**Glucerin Shakes** - Service is only covered when prescribed by a physician to treat a medical condition; *requires a doctor's prescription with medical condition for reimbursement*

**Group medical insurance** - See [Insurance premiums](#).

**Guardianship fees** - Fees associated with establishing guardianship for an incapacitated individual are reimbursable.

**Guide dog or other animal** - The cost of a guide dog or other animal used by the visually impaired or hearing impaired is reimbursable. Costs associated with a dog or other animal trained to assist persons with other physical disabilities are also reimbursable, as are amounts paid for the care of these specially-trained animals.

**Hair Transplant** - Service is only covered when prescribed by a physician to treat a medical condition; *requires a doctor's prescription for reimbursement*

**Health club dues** - Health club dues, YMCA® dues, or amounts paid for steam baths for general health or to relieve physical or mental discomfort not related to a particular medical condition are not reimbursable; *requires a doctor's prescription with medical condition for reimbursement*

**Hearing aids** - Medical expenses for a hearing aid, repairs and batteries are reimbursable.

**Heart defibrillator** - Expenses paid for heart defibrillators are reimbursable.

**Herbs** - The costs of herbs taken for general well-being are not reimbursable. However, the costs of herbs taken to alleviate a specific medical condition are reimbursable; *a doctor's prescription with medical condition is required*

**Holistic treatments** - See [Alternative providers](#).

**Home urine test kit** - Expenses paid for home urine test kits are reimbursable. See [Kits](#).

**Homeopathic treatments** - See [Alternative providers](#).

**Hospital** - Expenses incurred as a hospital in-patient or out-patient for laboratory, surgical and diagnostic services qualify as medical expenses.

**Hot pads, creams and patches** - Expenses paid for hot pads, creams and patches are reimbursable.

**Hot tub** - See [Capital expenses](#).

**Household help** - The cost of household help, even if recommended by a doctor, is prohibited. However, certain expenses paid to an attendant providing nursing-type services are reimbursable. See [Nursing services](#).

**Human guide** - Expenses for a human guide - to take a blind child to school, for example - are reimbursable. See [Guide dog or other animal](#).

**Hypnobirthing Classes** - This is a childbirth method that focuses on preparing parents for gentle birth including techniques of deep relaxation, visualization, and self-hypnosis and is covered.

**Hypnotherapy** - Expenses are reimbursable; *a doctor's prescription with medical condition is required*

**Immigration Immunizations** - Vaccinations required to immigrate are covered.

**Implanon** - Birth control injections are covered.

**Impotence or sexual inadequacy** - Medical expenses related to the treatment of impotence are reimbursable. **Physician's diagnosis letter** required.

**Indigestion medicines** - *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#)

**Infant formula** - The cost of infant formula is not covered, even if the mother was not capable of breast feeding.

**Infertility** - Medical expenses related to the treatment of infertility are reimbursable. Eligible expenses may include egg storage, egg donor costs, infertility monitors, in-vitro fertilization and sperm washing. Surrogate costs associated with a qualified dependent of the taxpayer are reimbursable and may include such things as blood compatibility testing and psychological

exams. If the surrogate mother is not a qualified dependent of the taxpayer, the costs that the surrogate mother incurs are not reimbursable. Storage costs associated with the freezing of blood cords, embryos, placentas and sperm (sperm banks) are generally reimbursable when a specific medical condition exists. Additionally, these costs are reimbursable only for a limited period until they can be used to treat the existing condition (generally up to one year); *a doctor's prescription with medical condition is required*

**Insoles** - Expenses paid for insoles to treat a medical condition are reimbursable.

**Insulin** - The cost of insulin is reimbursable. See [Diabetic Supplies](#)

**Insurance premiums** - Premiums for any health plan are not reimbursable under a Health FSA or HRA.

**Interest** - Interest incurred because payment to a healthcare provider is delinquent is not covered; see also [Late Charges](#)

**Invisible Braces** - Orthodontic braces that are manufactured to be nearly invisible are covered.

**Kits** - Expenses paid for kits such as first aid, home pregnancy test, snake bite and bee sting are reimbursable.

**Laboratory fees** - Laboratory fees that are part of medical care are reimbursable.

**Lactation Consultation** - This is not covered unless there is a medical condition present for the nursing mother that prevents breast feeding of the infant.

**Laetrile** - even if prescribed by a doctor, is not reimbursable.

**Lasik eye surgery** - Radial keratotomy (RK), or other corrective eye surgery such as lasik surgery is a deductible expense under IRC Section 213(d) and is reimbursable.

**Late Charges** - Charges incurred because payment to a healthcare provider is delinquent are not covered; see also [Interest](#)

**Laxatives** - *require a doctor's prescription for reimbursement; see [Over-the-counter medicines](#).*

**Lead-based paint removal** - The cost of removing lead-based paints from surfaces in a home to prevent a child who has (or has had) lead poisoning from eating the paint are reimbursable. These surfaces must be in poor repair (peeling or cracking) or within the child's reach. The cost of repainting the scraped area, however, is not reimbursable.

**Learning disability** - Tuition payments to a special school for a child who has severe learning disabilities caused by mental or physical impairments, including nervous system disorders, are reimbursable. A doctor must recommend that the child attend the school. Also, tutoring fees paid on a doctor's recommendation for a child's tutoring by a teacher who is specially trained and qualified to work with children who have severe learning disabilities are reimbursable. See [Schools, special](#).

**Legal fees** - Legal fees paid to authorize treatment for mental illness are reimbursable. However, any part of a legal fee that is a management fee, for example, a guardianship or estate management fee, is not reimbursable.

**Lens replacement insurance** - is not reimbursable; See [Vision Care](#)

**Licensing requirements** - Neither the tax code nor IRS regulations require a plan participant to determine whether a provider is qualified, authorized under state law or licensed to practice before using his/her services. Services provided by a range of organizations and individuals may be reimbursable, including care provided by hospitals, medical doctors, dentists, eye doctors, chiropractors, nurses, osteopaths, podiatrists, psychiatrists, psychologists, physical therapists, acupuncturists, psychoanalysts and others.

**Life insurance premiums** - Life insurance premiums are not reimbursable.

**Lifestyle drugs** - *a doctor's prescription with medical condition is required*

**Lip treatments** - to treat a medical condition such as cold or canker sores; *requires a doctor's prescription for reimbursement*

**Liposuction** - See [Cosmetic procedures](#).

**Lodging and meals** - The cost of lodging and meals at a hospital or similar institution are reimbursable if the employee's main reason for being there is to receive medical care. The cost of lodging not provided in a hospital or similar institution while an employee is away from home is reimbursable if four requirements are met: (1) the lodging is primarily for an essential to medical care; (2) medical care is provided by a doctor in a licensed hospital or in a medical care facility related to, or the equivalent of, a licensed hospital; (3) the lodging is not lavish or extravagant under the circumstances; and (4) there is no significant element of personal pleasure, recreation or vacation in the travel away from home. See [Nursing home](#).

The reimbursable amount cannot exceed \$50 for each night for each person. Lodging is included for a person for whom transportation expenses are a medical expense because that person is traveling with the person receiving the medical care. For example, if a parent is traveling with a sick child, up to \$100 per night is reimbursable as a medical expense for lodging. Meals and lodging away from home for medical treatment that is not received at a medical facility, or for the relief of a specific condition, are not reimbursable even if the trip is made on the advice of a doctor.

**Long-term care insurance premiums** - Long-term care insurance premiums are not reimbursable under a Health FSA.

**Lubricant, Personal** – is not a reimbursable expense (i.e. KY, Astroglide, etc.)

## M-O ([back to top of list](#))

**Maintenance costs** - Portion of expense incurred to maintain equipment used to treat a medical condition are reimbursable. For example, the cost of electricity to operate an air purifier when suffering from asthma.

**Marijuana** - even if prescribed for medicinal purposes, is not reimbursable.

**Marriage counseling** - Expenses for marriage counseling services do not qualify as medical expenses. However, sexual inadequacy or incompatibility treatment is reimbursable if the treatment is provided by a psychiatrist

**Massage** - Fees paid for massages are not reimbursable unless to treat a physical defect or illness; *a doctor's prescription with medical condition is required* See [Therapy](#)

**Massage chair** - *a doctor's prescription with medical condition is required*

**Maternity clothes** - Expenses for maternity clothes are not reimbursable.

**Mattresses** - Mattresses and mattress boards for the treatment of arthritis are reimbursable; *a doctor's prescription with medical condition is required*

**Meals** - See [Lodging and meals](#), or [Special foods](#).

**Medical aids** - Medical aids such as false teeth, hearing aids, orthopedic shoes, crutches and elastic hosiery are reimbursable.

**Medical alert programs** - *a doctor's prescription with medical condition is required*

**Medical information plan** - Amounts paid to a plan that keeps medical information so that it can be retrieved from a computer data bank for medical care are reimbursable.

**Medical services** - Only legal medical services are reimbursable. Amounts paid for illegal operations or treatments, regardless of whether they are rendered by licensed or unlicensed practitioners, are not reimbursable.

**Medicated soaps, powders and shampoos** - *require a doctor's prescription for reimbursement; see [Over-the-counter medicines](#).*

**Medicine flavorings** - are not reimbursable

**Medicines, prescribed** - Amounts paid for prescribed medicines and drugs are reimbursable. A prescribed drug is one which requires a prescription by a doctor for its use by an individual. The



cost of insulin is also reimbursable. The cost of a prescribed drug bought in (or ordered and shipped) from another country cannot be reimbursed. The importation of prescribed drugs by individuals is illegal under federal law (even if allowed by state law). However, you can be reimbursed for the cost of a prescribed drug that you purchased and consumed in another country if the drug is legal in both the other country and the United States. See [Over-the-counter medicines](#)

**Mentally retarded, special home for** - The cost of keeping a mentally retarded person in a special home (not the home of a relative) on the recommendation of a psychiatrist to help the person adjust from life in a mental hospital to community living is reimbursable.

**Mileage, Provider Fees** - Mileage charges from the provider related to rendering care & patient observation for treatment plan development are covered.

**Missed appointment** – fees are not reimbursable

**Mobile Body Scan** - These are considered preventive and diagnostic services and are covered.

**Motion sickness** - *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#)

**Nasal Wash** - Nasal wash systems (i.e. Neti Pots) are used for the relief of sinusitis, nasal congestion, rhinitis and allergies and are covered; *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#).

**Naturopathic treatments** - See [Alternative providers](#).

**Nausea relief** - Expenses paid for nausea relief devices such as nausea bands are reimbursable. Over-the-counter nausea relief medications; *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#).

**Nightguard** - Also referred to as occlusal guard. This is a dental appliance often used to treat TMJ or the clenching or grinding of teeth and is covered.

**Nursing home** - The cost of medical care in a nursing home or home for the aged for an employee, or for an employee's spouse or dependent, is reimbursable. This includes the cost of meals and lodging in the home if the main reason for being there is to get medical care.

**Nursing services** - Wages and other amounts paid for nursing services are reimbursable. Services need not be performed by a nurse as long as the services are of a kind generally performed by a nurse. This includes services connected with caring for the patient's condition, such as giving medication or changing dressings, as well as bathing and grooming the patient. Only the amount spent for nursing services is reimbursable. If the attendant also provides personal and household services, these amounts must be divided between the time spent performing household and personal services and the time spent on nursing services. Meals - Amounts paid for an attendant's meals are also reimbursable. This cost may be calculated by dividing a household's total food expenses by the number of household members to find the cost of the attendant's food, then apportioning that cost in the same manner used for Upkeep - Additional amounts paid for household upkeep because of an attendant are also reimbursable. This includes extra rent or utilities paid because of having to move to a larger apartment to provide space for an attendant.

Infant care - Nursing or baby sitting services for a normal, healthy infant are not reimbursable. Social Security, unemployment (FUTA) and Medicare taxes paid for a nurse, attendant or other person who provides medical care are reimbursable.

**Optometrist** - See [Vision care](#).

**Oral syringe** - Expenses paid for an oral syringe used to dispense medication are reimbursable.

**Orthodontia** - Services are reimbursable. This type of service does not fit the normal 'fee for service' arrangements seen with other care, and reimbursement can be made once charges have been billed. This can be a one time fee less any amount paid, or to be paid by your insurance plan, or as you are billed each month.

**Orthodontia wax** - Expenses paid for orthodontia wax are reimbursable.

**Orthopedic shoes** - See [Medical aids](#).

**Organ donor** - See [Transplants](#)

**OSHA Compliance Fees** - Fees charged by the provider to meet OSHA compliance requirements are covered.

**Over-the-counter medicines and drugs** - *require a doctor's prescription for reimbursement*; Expenses are generally reimbursable unless used for general well-being or for purely cosmetic purposes.

Starting January 1, 2011, eligible expenses that ***will require a doctor's prescription*** for reimbursement may include, but are not limited to acetaminophen, acne products, allergy products, antacid remedies, antibiotic creams/ointments, anti-fungal foot sprays/creams, aspirin, baby care products, cold remedies, (including shower vapor tabs), cough syrups and drops, medicated eye and ear drops, ibuprofen, laxatives, migraine remedies, motion sickness, nasal sprays, pain relievers, sleep aids, teething gels, and topical creams or itching, stinging, burning, pain relief, sore healing or insect bites. See [Kits](#) and [Vapor units and refills](#). Items that will continue to be ***eligible without a doctor's prescription*** after January 1, 2011 include, but are not limited to band aids, bandages and wraps, braces and supports, catheters, contact lens solutions and supplies, contraceptives and family planning items, denture adhesives, insulin and diabetic supplies, diagnostic tests and monitors, and first aid supplies, peroxide and rubbing alcohol.

**Over-the-counter supplies** - Expenses paid for bandages, ACE® wraps, hot pads, Q-tips®, cotton balls, first aid kits, gauze bandages, home test kits (e.g. diabetic, pregnancy), and snake bite and bee sting kits are reimbursable. See [Kits](#).

**Ovulation Predictor Test** - Test kits to assist in identification of ovulation are covered.

**Oxygen** - Amounts paid for oxygen or oxygen equipment to relieve breathing problems caused by a medical condition are reimbursable.

## **P-S** ([back to top of list](#))

**Pain relief** - *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#)

**Parental assistance** - Expenses incurred with an agency to assist parents with newborn care (which may include nurturing) are not covered unless prescribed by a physician for a medical condition.

**Parking** - See [Transportation](#).

**Pastoral Counseling** - Service is only covered when recommended by a healthcare professional to treat a medical condition (such as depression); *a doctor's prescription with medical condition is required*

**Personal Lubricant** – is not a reimbursable expense (i.e. KY, Astroglide, etc.)

**Personal Trainer** - *a doctor's prescription with medical condition is required*

**Personal use items** - Items that are ordinarily used for personal, living, and family purposes are not reimbursable unless they are used primarily to prevent or alleviate a physical or mental defect or illness. For example, the cost of a wig purchased at the advice of a physician for the mental health of a patient who has lost all of his or her hair from disease is reimbursable.

If an item purchased in a special form primarily to alleviate a physical defect is one that in normal form is ordinarily used for personal, living and family purposes, the cost of the special form in excess of the cost of the normal form is reimbursable. See [Braille books and magazines](#).

**Phone equipment** - See [Telephone](#).

**Physical exams** - Physical exams are generally reimbursable, except for employment-related physicals. See [Employment-related Expenses](#).

**Pill bags** - are not reimbursable.

**Pill Crusher** - Devices to crush medications are covered.

**Pill cutter** - Expenses paid for the purchase of a pill cutter are reimbursable.

**Pillows for treatment of fevers** - Expenses paid for the purchase of pillows manufactured specifically to treat fevers are reimbursable.

**Plane tickets** - Expenses paid for the purchase of a plane ticket for a related hospitalization are reimbursable. See [Transportation](#).

**Postage** - Postage stamps and fee are not covered unless the postage is used to submit a claim for reimbursement.

**Pre-Adoption Counseling** - This counseling is covered as are all services related to adoption. See [Adoption](#).

**Pre-existing conditions** - Medical expenses not covered because of the plan's pre-existing condition limitation are reimbursable.

**Pregnancy Test** – Home pregnancy tests are reimbursable. See [Kits](#)

**Premiums** - Premiums, of any kind, that you pay for yourself or your eligible dependents are not reimbursable under an Health FSA or HRA.

**Prenatal vitamins** - *require a doctor's prescription for reimbursement*; see [Over-the-counter-medicines](#)

**Prescription drugs** - See [Medicines](#).

**Private hospital room** - The extra cost of a private hospital room is reimbursable.

**Propecia®** - *a doctor's prescription with medical condition is required*; not reimbursable for cosmetic purposes (that is, to stimulate hair growth).

**Prosthesis** - See [Artificial limb](#).

**Psychiatric care** - Expenses for psychiatric care are reimbursable. These expenses include the cost of supporting a mentally ill dependent at a specially-equipped medical center where the dependent receives medical care. See [Psychoanalysis](#) and [Transportation](#).

**Psychoanalysis** - Expenses for psychoanalysis are reimbursable.

**Psychologist** - Expenses for psychological care are reimbursable.

**Radial keratotomy** - Radial keratotomy (RK), or other corrective eye surgery such as lasik surgery, is a deductible expense under IRC Section 213(d) and is reimbursable.

**Radon remediation** - Expenses incurred to remove radon from the residence are reimbursable.

**Reasonable and customary charges, amounts in excess of** - Medical expenses in excess of the plan's reasonable and customary charges are reimbursable.

**Remineralization Products** - These products add back the minerals that acid has chewed away and are considered part of normal hygiene; *requires a doctor's prescription with medical condition for reimbursement*

**Resort** - See [Spa or resort](#).

**Respiratory treatments** - *requires a doctor's prescription for reimbursement*; see [Over-the-counter medicines](#)

**Retin A** - *a doctor's prescription with medical condition is required*; not reimbursable for treatment of aging.

**Rogaine®** - *a doctor's prescription with medical condition is required*; not reimbursable for cosmetic purposes (that is, to stimulate hair growth).

**Saddle Soap** - *requires a doctor's prescription with medical condition for reimbursement*

**Sales tax** - Sales tax charges incurred when paying for an eligible expense are reimbursable.

**Savings Club** - Dues to join a club that offers discounts on health items is not covered (i.e. a pharmacy savings club).

**Scar treatments** - Expenses incurred for the treatment of scars are reimbursable.

**Schools, special** - Expenses paid to a special school for a mentally impaired or physically disabled person are reimbursable if the main reason for using the school is its resources for treating the disability. This includes the cost of a school that:

- teaches Braille to a visually impaired child;
- teaches lip-reading to a hearing-impaired child; or
- provides remedial language training to correct a condition caused by a birth defect.

The cost of meals, lodging and ordinary education supplied by a special school is reimbursable only if the main reason for using the school is its resources for treating the mental or physical disability. The cost of sending a non-disabled “problem child” to a special school for benefits the child may get from the course of study and disciplinary methods is not reimbursable.

**Scientology “audits”** - Amounts paid to the Church of Scientology for “audits” do not qualify as expenses for medical care.

**Sexual counseling** - Expenses for counseling regarding sexual inadequacy or incompatibility are reimbursable if the counseling is provided to a husband and/or wife by a psychiatrist.

**Shampoo, medicated** - *requires a doctor’s prescription for reimbursement*; see [Over-the-counter medicines](#).

**Shipping charges** - Shipping charges incurred when paying for an eligible expense are reimbursable.

**Shower chair** - *a doctor’s prescription with medical condition is required*

**Sleep aids and sedatives** - *requires a doctor’s prescription for reimbursement*; see [Over-the-counter medicines](#)

**Smoking drugs** - The cost of a program to stop smoking for the improvement of general health is reimbursable.

**Spa or resort** - *a doctor’s prescription with medical condition is required*; only the costs of the medical services provided are reimbursable, not the cost of transportation. See [Transportation](#) and [Trips](#)

**Special foods** - The costs of special foods and/or beverages - even if prescribed - that substitute for other foods or beverages which a person would normally consume and which satisfy nutritional requirements (such as the consumption of bananas for potassium), are not deductible. However, prescribed special foods or beverages are reimbursable if they are consumed primarily to alleviate or treat an illness or disease, and not for nutritional purposes. Special foods and beverages are reimbursable only to the extent that their cost is greater than the cost of the commonly available version of the same product. Claim submission should include the normal cost of the item.

**Sperm storage** - See [Temporary storage for infertility treatment](#).

**Spider vein therapy** - such as with sclerosing agent injections are considered cosmetic. However, if the therapy is for other than a diagnosis of spider vein therapy the charges are reimbursable when accompanied by *a doctor’s prescription with medical condition*.

**Sports mouth guard** - Expenses incurred for the purchase of a sports mouth guard if a person has braces are reimbursable.

**Sports orthotics** - *a doctor’s prescription with medical condition is required*

**Sterilization** - The cost of a legal sterilization (a legally-performed operation to make a person unable to have children) is reimbursable.

**Stethoscope** - Expenses incurred for the purchase of a stethoscope are reimbursable.

**Stomach remedies** - *requires a doctor’s prescription for reimbursement*; see [Over-the-counter medicines](#)

**Substance abuse** - See [Alcoholism and drug abuse](#).

**Sunscreen** - Sunscreen (SPF 45 or greater) is reimbursable with proof of SPF - either needs to be on the receipt or need to submit a copy of the box it comes in (not all brands come in a box) or a picture of the bottle.

**Sunburn creams and ointments** - *requires a doctor's prescription for reimbursement*

**Sun tanning lotion** - is not reimbursable.

**Supplements** - *a doctor's prescription with medical condition is required;* The cost of supplements taken for general well-being are not reimbursable.

**Swimming lessons** - See [Dancing lessons, swimming lessons, etc.](#)

## **T-Z** ([back to top of list](#))

**Taxes, state care or sick tax** - Tax amounts passed on to the member are reimbursable.

**Telephone** - The costs of purchasing and repairing special telephone equipment that lets a hearing-impaired person communicate over a regular telephone are reimbursable.

**Television** - The cost of equipment that displays the audio part of TV programs as subtitles for the hearing-impaired is reimbursable. This may include an adapter that attaches to a regular TV or the cost of a specially-equipped TV in excess of the cost of the same model regular TV set.

**Temporary storage for infertility treatment** - Expenses incurred for sperm storage are reimbursable.

**Therapy** - Amounts paid for Therapy received as medical treatment are reimbursable. Payments made to an individual for special exercises or music therapy, administered to a mentally retarded child are also reimbursable. These so-called "patterning" exercises consist mainly of coordinated physical manipulation of the child's arms and legs to imitate crawling and other normal movements. See [Fitness programs](#) or [Massage](#).

**Thermometer** - Expenses for purchase of a thermometer or thermometer covers are reimbursable.

**Toilet seat covers** - Expenses incurred for the purchase of toilet seat covers are reimbursable.

**Transplants** - Payments for surgical, hospital, laboratory and transportation expenses for a prospective or actual donor of a kidney or other organ are reimbursable.

**Transportation** - Amounts paid for transportation primarily for, and essential to, medical care are reimbursable.

Reimbursable transportation expenses include:

- bus, taxi, train or plane fare, or ambulance service;
- actual car expenses, such as gas and oil (but not expenses for general repair, maintenance, depreciation and insurance);
- mileage charges from the service provider related to rendering care and patient observation for treatment plan development;
- parking fees and tolls;
- transportation expenses of a parent who must accompany a covered member who needs medical care;
- transportation expenses of a nurse or other person who can give injections, medications or other treatment required by a patient who is traveling to get medical care and is unable to travel alone;
- transportation expenses for regular visits to see a mentally ill dependent if these visits are recommended as part of treatment.

Instead of actual expenses, it is acceptable to use a flat rate per mile for each mile a car is used for medical purposes. The IRS updates this amount annually, refer to IRS publications for current reimbursable rate. Click [Here for IRS information](#). The cost of tolls and parking may be added to this amount. Reimbursable transportation expenses do not include:



- transportation expenses to and from work, even if a medical condition requires an unusual means of transportation; or
- transportation expenses incurred if, for non-medical condition reasons, an employee chooses to travel to another location (or to a resort or spa) for an operation or other medical care prescribed by a doctor.

**Trips** - Amounts paid for transportation to another location, if the trip is primarily for and essential to receiving medical services, are reimbursable. See [Lodging and meals](#).

A trip or vacation taken for a change in environment, improvement of morale or general improvement of health, is not reimbursable, even if it is taken at the advice of a doctor. See [Spa or resort](#).

**Tubal ligation** - Expenses incurred for a tubal ligation are reimbursable.

**Tuition** - Charges for medical care included in the tuition of a college or private school are reimbursable if the charges are separately stated in the tuition bill. See [Learning disability](#) and [Schools, special](#).

**Tutor's fees** - See [Learning disability](#).

**Ultrasound - 4D/Elective** - Ultrasounds that are solely for the purpose of identifying the sex of the fetus are not covered.

**Vacation** - See [Trips](#).

**Vaccines** - Expenses for vaccines are reimbursable.

**Vapor units and refills** - Expenses paid for the purchase of vapor units such as plug-in units or their refill cartridges are reimbursable.

**Vasectomy** - Medical expenses related to a vasectomy or vasectomy reversals are reimbursable.

**Vent cleaning** - Expenses paid for the cleaning of your home's vent system are reimbursable. Member's explanation of necessity is required.

**Vision care** - Optometric services and medical expenses for eyeglasses and contact lenses needed for medical reasons are reimbursable. Eye exams and expenses for contact lens solutions are also reimbursable. However, premiums for contact lens replacement insurance are not reimbursable. See [Radial keratotomy](#) and [Lasik eye surgery](#).

Other vision services that are covered are:

- contact lens cases;
- corrective swim goggles;
- eye charts;
- eyeglass cases;
- eyeglass cleaning supplies such as cleaning cloths;
- reading glasses;
- eyeglass repair or repair kits;
- safety glasses when the lens correct visual acuity;
- sunglasses or sunglass clips when the lens correct visual acuity; and
- vision shaping.

**Vitamins** - *a doctor's prescription with medical condition is required*; Daily multivitamins taken for general well-being are not reimbursable.

**Wage continuation policies** - Premiums paid under wage continuation policies are not reimbursable.

**Walker and accessories** - Expenses paid for a walker to aid mobility and their accessories such as baskets for carrying items are reimbursable.

**Weight loss aids** - *a doctor's prescription with medical condition is required*; Aids include pedometers, mixers, scales, action planners, recipe books and audio tapes.

**Weight loss machines** - See [Exercise equipment](#).

**Weight loss programs, treatments and prescriptions** - *a doctor's prescription with medical condition (i.e. Heart disease) is required*; The cost of weight loss programs, treatments and prescriptions for general health are not reimbursable even if a doctor prescribes them.

**Well baby care** - See [Nursing services](#).

**Wheelchair** - Amounts paid for an autoette or a wheelchair used mainly for the relief of sickness or disability, and not just to provide transportation to and from work, are reimbursable. The cost of operating and maintaining the autoette or wheelchair is also reimbursable.

**Wheelchair accessories** - Expenses paid for accommodation accessories such as wheelchair backpacks are reimbursable.

**Wigs** - See [Personal use items](#).

**X-ray fees** - Amounts paid for X-rays taken for medical reasons are reimbursable.

**Yoga class** - *a doctor's prescription with medical condition is required*

### **Receipts**

The following are not acceptable receipts:

- Bankcard statements.
- Charges submitted that are illegible.
- Estimates of expenses. (A statement is required showing date of service and type of medical expense.)

Acceptable receipts must include the following information:

- Date of Service
- Doctor(s) Name
- Patient Name
- Type of Service or Service Code
- Fees Charged
- Any payments made

For Over-the-counter-items receipts must include the following information:

- Printed Date of Purchase
- Printed Product Description
- Printed Dollar Amount
- Printed Name of Provider (merchant)

## **Capital Expenses**

Medical expenses incurred by employees for special equipment installed in the home or for improvements are reimbursable if their main purpose is medical care. Under Code Section 213, the cost of permanent improvements that increase the value of the property may be partly deducted as a medical expense. The cost of the improvement is reduced by the increase in the value of the property; the difference is a deductible medical expense. If the value of the property is not increased by the improvement, the entire cost is deductible as a medical expense. Improvements made to accommodate a residence for a person's disability do not usually increase the value of the residence, and the full cost is usually reimbursable. Only reasonable costs to accommodate a personal residence to a disabled condition are considered medical care. Additional costs for personal motives, such as for architectural or aesthetic reasons, are not reimbursable.

### **Worksheet**

The following worksheet may be used to figure the amount of a reimbursable capital expense:

#### Operation and Maintenance

- |    |                                                                              |          |
|----|------------------------------------------------------------------------------|----------|
| 1. | Enter the cost of the improvement.                                           | \$ _____ |
| 2. | Enter the increase in the value of the home                                  | \$ _____ |
|    | If line 2 is equal to or greater than line 1, the amount is not reimbursable |          |
|    | If line 2 is less than line 1, go on to line 3.                              |          |
| 3. | Subtract line 2 from line 1.                                                 | \$ _____ |
|    | This is the deductible medical expense.                                      | \$ _____ |

If a capital expense qualifies as a reimbursable medical expense, then expenses related to operation and maintenance also qualify as medical expenses, as long as the medical reason for the capital expense still exists. This is so even if none or only part of the original capital expense qualified as a medical care expense.

### **Improvements To Property Rented By A Person With Disabilities**

Amounts paid by a person with disabilities to buy and install special plumbing fixtures, mainly for medical reasons, in a rented house are reimbursable medical expenses. For example, Don has arthritis and a heart condition. He cannot climb stairs or get into a bathtub. On his doctor's advice, he installs a bathroom with a shower stall on the first floor of his two-story rented house. Don's landlord did not pay any of the cost of buying and installing the special plumbing and did not lower the rent. Don can deduct the entire amount he paid.