



GUIDELINES FOR THE USE OF FSA, HRA and HSA FUNDS TO PURCHASE OVER THE COUNTER PRODUCTS AFTER 1/1/11

Dear Participant:

The recently enacted Patient Protection and Affordable Care Act of 2010 has changed the rules for the purchase of over the counter (OTC) products using your Flexible Spending Account (FSA) or Health Reimbursement Arrangement (HRA) pre-tax funds.

Effective January 1, 2011:

1. FSA or HRA funds can **no longer be used to purchase OTC medicine and drugs** unless a medicine or drug is prescribed. A “prescription” means a written or electronic order for a medicine or drug that meets the legal requirements of a prescription in the state in which the medical expense is incurred and that is issued by an individual who is legally authorized to issue a prescription in that state.

Acid Controllers	Baby Rash Ointments/Creams	Motion Sickness
Allergy & Sinus	Cold Sore Remedies	Pain Relief
Antibiotic Products	Cough, Cold & Flu	Respiratory Treatments
Anti-Diarrheals	Digestive Aids	Sleep Aids & Sedatives
Anti-Gas	Feminine Anti-Fungal/Anti-Itch	Stomach Remedies
Anti-Itch & Insect Bite	Hemorrhoidal Preps	
Anti-Parasitic Treatments		
Laxatives		

The following categories of items do not need a prescription to be paid from your FSA and HRA:

Denture adhesives	First aid supplies	Orthopedic aids
Diagnostic tests and monitors	Hearing aid batteries	Ostomy products
Elastic bandages and wraps	Infant electrolytes and dehydration solutions	Reading glasses
Eye care and contact lens Supplies	Infant teething pain supplies	Smoking deterrents
Family planning kits	Insulin and diabetic supplies	Syringes
Fiber laxatives	Nebulizers	Thermometers
		Wheelchairs, walkers and canes

2. You can continue to use your FSA or HRA funds to purchase OTC items that are not considered a medicine or drug (e.g., bandages, splints, contact lens solution, etc.) Please note that **insulin remains an eligible expense** with or without a prescription.
3. Remember to consider these new OTC rules when estimating the dollar amount to put in your FSA or HRA account for the next plan year.

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