

LIST OF QUALIFIED EXPENSES

What is the definition of Medical Care?

Medical care means amounts paid for the diagnosis, cure, mitigation, treatment, prevention, of disease, and treatments affecting any part or function of the body. Medical care can also cover most procedures, not normally covered by employer sponsored health plans. These procedures can cover most out of pocket expenses paid by you for Medical, Dental and Vision procedures for you or your dependents coverage.

What Medical Expenses are Reimbursable under a Medical Flexible Spending Account?

Federal tax law allows only certain expenses to be paid from your health care FSA. The following section is a partial list of health care expenses that are deductible in accordance with Publication 502 of the IRS Code and which may be reimbursed through a health care FSA.

<u>List of popular expenses</u>	<u>Is the Expense Reimbursable?</u>
Abortion	Yes
Acupuncture	Yes
Air Filter	Yes, to treat a medical condition
Alcoholism & Drug Abuse	Yes, medical expenses paid to a treatment center
Allergy Medicine	Yes
Ambulance	Yes
Antacid	Yes
Antihistamine	Yes
Artificial Limb/Teeth	Yes
Aspirin	Yes
Automobile	SEE CAR
Babysitting/Child Care	SEE DEPENDENT CARE
Birth Control Pills/Devices	Yes
Braille Books and magazines	Yes
Breast Augmentation	Only if costs are related to the removal of implants that are defective or are causing a medical problem
Breast Pump	No, unless it is to mitigate or treat a disease
Breast Reconstruction Surgery	Yes
Breast Reduction	Yes, if not for cosmetic purposes
Cancer Insurance	SEE SUPPLEMENTAL INSURANCE POLICIES
Capital Expenses	Yes, for medical care (doctor note required)
Car	Yes, if for special hand controls & other special equipment and if amount by which the cost of a car specially designed to hold a wheelchair exceeds the cost of a regular car
Chair	Yes, to alleviate a heart, back or other condition
Childbirth Classes	Yes, expenses incurred by the mother-to-be
Chiropractor	Yes
Clinic	Yes
COBRA Premiums	NO
Coinsurance Amounts	Yes
Cold Medicine	Yes
Commuting Costs	SEE TRIPS
Contact Lenses	SEE VISION CARE
Contraceptives	SEE BIRTH CONTROL
Cord Blood Storage	Only if child has medical condition the cord blood treats
Cosmetic Surgery	Only if surgery 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 (doctor note/certification required)
Crutches	Yes
Dancing/Swimming Lessons, etc.	NO

Day Care	<i>SEE DEPENDENT CARE</i>
Deductibles	Yes
Dental Treatment	Yes
Dependent Care Expenses	No, but may be eligible under a dependent care FSA
Diaper Service	No, unless needed to relieve effects of a disease
Drugs	<i>SEE MEDICATIONS</i>
Drug Addiction Treatment	<i>SEE ALCOHOLISM</i>
Ear Piercing	NO
Egg Donor Fees & Expenses	Yes
Electrolysis or hair removal	<i>SEE COSMETIC SURGERY</i>
Employment-related Expenses	No
Employment Taxes	<i>SEE NURSING SERVICES</i>
Equipment, Diagnostic Devices	Only if for the diagnosis, cure, mitigation, treatment or prevention of disease (doctor note/certification required)
Exercise Equipment	Only if bought on doctors' recommendation (doctor note required)
Exercise Programs	Only if prescribed by physician (doctor note required)
Eyeglasses	<i>SEE VISION CARE</i>
Face Lifts	<i>SEE COSMETIC SURGERY</i>
Fertility	Yes, unless it is for a single father of natural health for fertilization of anonymous donor's eggs
Fitness Programs	NO
Food	<i>SEE SPECIAL FOODS</i>
Formula (infant)	NO
Funeral Expenses	NO
Group Medical Insurance	<i>SEE INSURANCE PREMIUMS</i>
Guide Dog or Other Animal	Yes
Hair Transplant	<i>SEE COSMETIC SURGERY</i>
Health Club Dues	NO, unless related to a medical condition (doctor note required)
Health Baby Care	<i>SEE NURSING SERVICES</i>
Hearing Aids	Yes
Heartburn Medicine	Yes
Herbal Medicines	<i>SEE NATUROPATHY</i>
Hospital Expenses	Yes
Hot Tub	<i>SEE CAPITOL EXPENSES</i>
Household Help	Only certain expenses paid to an attendant providing nursing-type Services
Human Guide	Yes
Imported Drugs	Only prescription drugs the FDA says may be legally imported by Individuals
Impotence or Sexual Inadequacy	Yes
Infant Formula	<i>SEE FORMULA</i>
Infertility	<i>SEE FERTILITY</i>
Insulin	Yes
In-patient Meals	<i>SEE LODGING AND MEALS</i>
Insurance Premiums	NO
Laboratory Fees	Yes
Laetrile	No
LASIK	Yes
Lead-based Paint Removal	Yes, but not repainting
Learning Disability	Yes, tuition payments to a special school & tutoring fees
Life Insurance Premiums	NO
Lifetime Care	Yes, the agreement must require a specified fee payment as a

condition for the home's promise to provide lifetime care that includes medical care

Liposuction	<i>SEE COSMETIC SURGERY</i>
Lodging & Meals	Yes, if reason for being at hospital is to get medical care – can not exceed \$50 person/night (other conditions apply for non-hospital lodging)
Long-term Care Insurance Premiums	NO
Marijuana	NO
Marriage Counseling	NO
Maternity Clothes	NO
Massage	Only if prescribed by physician to treat physical defect or illness (doctor note required)
Mattress	Yes, for treatment of arthritis
Meals	<i>SEE LODGING AND MEALS</i>
Medical Alert Devices	NO
Medical Aids	Yes
Medical Information Plan	Yes
Medical Savings Accounts (MSAs)	NO
Medical Services	Yes, legal medical services
Medicare Part A/B	NO
Medicines	Yes
Mentally Retarded, special home for	Yes
Missed Appointment Fees	NO
Naturopathy	NO
Nicotine Patches and Gum	Yes, Effective Jan 1, 2011 doctors prescription required.
Non-prescription Drugs	<i>SEE OVER-THE-COUNTER MEDICATIONS</i>
Nursing Home	Yes
Nursing Services	Yes, if services are generally performed by a nurse NO if services are for a baby that is normal and healthy
Nutritional Supplements	<i>SEE SPECIAL FOODS</i>
Optometrist	<i>SEE VISION CARE</i>
Orthodontia	Yes, except for cosmetic purposes
Orthopedic Shoes	<i>SEE MEDICAL AIDS</i>
Organ Donor	<i>SEE TRANSPLANTS</i>
Osteopath	Yes
Over-the-Counter Medications	Yes through Dec 31, 2010 ALSO SEE VITAMINS Effective Jan 1, 2011 doctor prescription required ALSO SEE VITAMINS
Pain Reliever	Yes
Patterning Exercises	<i>SEE THERAPY</i>
Personal Use Items	Items used primarily to prevent or alleviate a physical or mental defect or illness are reimbursable. (doctor prescription required) . Items used for personal living are not reimbursable. For example – a wig for a person undergoing chemotherapy would be covered but a toothbrush would not
Physical Exams	Yes, except for employment-related exams
Pre-existing Conditions	Yes
Pregnancy Test	Yes
Prescription Drugs	<i>SEE MEDICINES</i>
Private Hospital Room	Yes
Prosthesis	<i>SEE ARTIFICIAL LIMB</i>
Psychiatric Care	Yes
Psychoanalysis	Yes
Psychologist	Yes
Resort	<i>SEE SPA OR RESORT</i>
Retin-A	Yes, for medical condition but not for cosmetic

Rogaine	Yes, for medical condition but not for cosmetic
Schools, special	Yes, if school use is its resources for treating a disability
Scientology "audits"	NO
Sexual Counseling	Yes, if provided to a husband and/or wife by psychiatrist
Shampoo, medicated	Yes, for medical condition (doctor prescription required)
Smoking Cessation Program/Drugs	Yes, Effective Jan 1, 2011 doctor prescription required.
Spa or Resort	Yes, but only the costs for medical services
Special Foods	NO, however, prescribed special foods or beverages are if they are consumed primarily to alleviate or treat illness or disease and are not part of normal nutritional needs (doctor prescription required). Special foods for weight-loss programs are not reimbursable.
Sterilization	Yes
Substance Abuse	SEE ALCOHOLISM AND DRUG ABUSE
Sunburn Relief and Sunscreens	Yes
Sunglasses	Yes, for prescription
Supplemental Insurance Policies	NO
Swimming Lessons	SEE DANCING LESSONS
Teeth Guards	Yes, except for sports uses
Teeth Whitening	NO
Telephone	Yes, special equipment that lets a hearing-impaired person communicate over a telephone
Television	Yes, equipment that displays the audio part of TV programs as subtitles for the hearing-impaired
Tests	Yes, if diagnostic or screening tests have a direct relationship between the test and a medical diagnosis
Therapy	Yes
Toothbrush/Toothpaste	SEE PERSONAL USE ITEMS
Transplants	Yes, for surgical, hospital, laboratory & transportation expenses for a prospective or actual donor
Transportation	Yes, for medical care
Trips	Yes if trip is primarily for & essential to receiving medical services
Tutors' Fees	SEE LEARNING DISABILITY
Vacation	SEE TRIPS
Vaccines	Yes
Vasectomy	Yes
Viagra	Yes, if prescribed to treat a specific medical condition (doctor prescription required)
Vision Care	Yes, eyeglasses, eye exams, contact lenses and expenses for contact lens solution
Vitamins	Only if physician prescribes to treat a medical condition (doctor prescription required)
Weight-loss Program	No, unless prescribed by physician to treat a specific illness (doctor note required)
Well Baby Care	SEE NURSING SERVICES
Wheelchair	Yes
Wigs	SEE PERSONAL USE ITEMS
X-ray Fees	Yes

The above list is not all inclusive and contains only a portion of the services and supplies that may be covered by a health care Flexible Spending Account (FSA). If you have any questions about an item or service whether it is listed or not, call your FSA Administrator, M S Administrative Services, Inc. at (208) 343-2964.