

## **SPECIAL INSTRUCTIONS WHEN CLAIMING OVER-THE-COUNTER (OTC) MEDICINE IN YOUR GENERAL-PURPOSE MEDICAL FSA**

On September 3, 2003, the IRS released Revenue Ruling 2003-102 announcing that OTC medications will be reimbursable for Section 125 and Section 105 Plan participants. Items purchased must be for medical reasons and will not be permissible if they are cosmetic or for general health purposes.

Keep in mind that the IRS has stated a “reasonable quantity” of OTC drugs to have on hand for use DURING the plan year is permissible. Claim processors at Benefits Design Group, Inc. will question the quantity purchased if more than 5 of the same items are submitted at one time. Stockpiling items in the last month of the plan year to avoid forfeitures will not constitute an eligible claim and the request may be denied.

A partial list of eligible and non-eligible expenses is listed below:

### **Eligible**

Allergy Medication  
Antacids  
Anti-Diarrhea  
Bug Bite Medication  
Calamine Lotion  
Cold Medicines  
Cough Drops/Suppressants  
Diaper Rash Treatment  
First Aid Cream/First Aid Kits  
Monistat  
Motion Sickness Pills  
Muscle Pain Relievers/Ben Gay  
Nicotine Gum/Patches  
Pain Relievers  
Pedialyte  
Sinus Medication/Sinus Sprays  
Sleeping Aids  
Stomach Medicines  
Sunburn Ointment/Cream  
Visine/Eye Drops

### **Not Eligible**

Chap Stick  
Face Cream  
Hygiene Items  
Medicated Shampoo  
Medicated Soaps  
One-A-Day Vitamins  
Personal Use Items  
Suntan Lotion  
Teeth Bleaching Kits  
Tooth Brushes  
Tooth Paste

### **Eligible w/Dr's Letter\***

Acne Treatments  
Glucosamine/Chondroitin  
Hormone Replacement Therapy  
Nasal Sprays for Snoring  
Nutritional Supplements  
Pills for Lactose Intolerance  
Pre-natal Vitamins  
Vitamins  
Weight Loss Drugs

\*Dr's letter must describe the medical condition currently being treated and must be updated once each plan year. (A doctor recommendation for general health reasons will not be acceptable.)

### **SPECIAL RULES FOR REQUESTING REIMBURSEMENT OF OTC:**

1. Submit a Cash register receipt indicating the date and a description of the item purchased.
2. Write the name of the dependent the item is for on the receipt or claim form. (If it is for you, write SELF on the receipt or claim form. (THIS IS REQUIRED.)

A completed and signed Request for Reimbursement form must accompany your request. Any OTC claims that do not follow the above claim filing rules will be returned to you.

Please contact our offices if you have any further or specific questions.

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