

REIMBURSEMENT ACCOUNT

QUALIFIED MEDICAL EXPENSES



The Internal Revenue Service (IRS) determines which expenses are eligible under the Health Care FSA (HCFSA), Combination FSA (Combo FSA), Limited Purpose FSA (LPFSA), Dependent Care FSA (DCFSA), Health Savings Account (HSA) and Health Reimbursement Arrangement (HRA). This is not an all-inclusive list of eligible expenses or a guarantee of expense eligibility. The list of eligible expenses may be modified at any time. View the IRS Publication 502 for a full list.

Attention Combination FSA (Combo FSA) Accountholders: Once you have met the IRS Statutory Deductible and provided the completed Combination FSA Deductible Verification Form, you may follow the eligible expenses under the Healthcare FSA (HCFSA).

| Service Type | Eligible | Eligible Plan Type(s) | Additional Information |
|---|-------------|-----------------------|---|
| Acupuncture (Non-cosmetic) | Yes | HCFSA, HSA, HRA | Treatments will be considered eligible if a valid Letter of Medical Necessity accompanies the claim for reimbursement. |
| Adoption fees | No | N/A | |
| Alcoholism treatment | Yes | HCFSA, HSA, HRA | |
| Alternative treatments, medicines, dietary supplements, practitioner's fees | Potentially | HCFSA, HSA, HRA | Non-traditional treatments provided by professional practitioners may be eligible expenses if the treatments are for a specific medical condition. Treatments will be considered eligible if a valid Letter of Medical Necessity accompanies the claim for reimbursement. The treatments must be legal and are subject to IRS review. Expenses for food or substitutes for food that the person would normally consume in order to meet dietary requirements are not eligible and are not considered remedies. Drugs and medicines recommended by alternative healers to treat a specific medical condition may also be considered eligible medical care. |
| Ambulance | Yes | HCFSA, HSA, HRA | |
| Anesthesia (non-cosmetic) | Yes | HCFSA, HSA, HRA | |
| Bandages (over-the-counter) | Yes | HCFSA, HSA, HRA | |
| Before/After School Programs | Yes | DCFSA | |
| Birth control (over-the-counter) | Potentially | HCFSA, HSA, HRA | As of January 1, 2011, over-the-counter drugs and medicines require a prescription from a doctor in order to be considered an eligible expense. Some over-the-counter contraceptives, such as spermicidal foam, will require a prescription. |
| Birth control (prescription) | Yes | HCFSA, HSA, HRA | Prescription contraceptives such as birth control pills and Norplant insertion/removal are eligible for reimbursement. |
| Birth Control Surgical | Yes | HCFSA, HSA, HRA | Tubal ligation, vasectomy |
| Blood pressure monitor | Yes | HCFSA, HSA, HRA | |
| Body scans | Yes | HCFSA, HSA, HRA | |

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|---|-------------|-----------------------------------|---|
| Braille reading materials | Potentially | HCFSA, HSA, HRA | Books/magazines in Braille are eligible for the excess cost of the Braille item over a normally priced item, which also includes audio products (e.g., CDs). |
| Breast pump | Yes | HCFSA, HSA, HRA | |
| Breastfeeding instruction | Potentially | HCFSA, HSA, HRA | Costs for breastfeeding instruction are eligible with a Letter of Medical Necessity. |
| Camps (Overnight) | No | N/A | Overnight camps are not considered work- or school-related expenses and therefore would not be eligible for reimbursement through a DCFSA. |
| Camps (Day Camp, Summer or Holiday Camps) | Potentially | DCFSA | Provided that the camp enables the parent or parents to be gainfully employed, seek gainful employment or attend school full-time. |
| Child/infant care instruction | No | N/A | |
| Childbirth classes | Yes | HCFSA, HSA, HRA | Only the mother's portion of the class that relates to the process of childbirth is eligible. |
| Chiropractic treatment/office visit | Yes | HCFSA, HSA, HRA | |
| Christian Science practitioners | Yes | HCFSA, HSA, HRA, Combo FSA, LPFSA | When recommended by a health care professional for vision, dental or preventive care, Christian Science practitioner reimbursement is eligible with a Letter of Medical Necessity from a physician. |
| COBRA premiums | Potentially | HSA, HRA | COBRA premiums are eligible under a health savings account (HSA), and may be eligible under a health reimbursement arrangement (HRA). HRA account holders should check with their benefits administrator to determine eligibility for their plan. COBRA premiums are not eligible under a flexible spending account (HCFSFA). |
| Co-insurance and copays | Yes | HCFSA, HSA, HRA, Combo FSA, LPFSA | For expenses eligible under the specific plan (ie: Dental or Vision only for LPFSA, etc.) |
| Compression socks/stockings | Potentially | HCFSA, HSA, HRA | Compression hosiery rated at 30-40 mmHg or above are eligible. Only the amount paid above the usual cost of non-compression socks/stockings is considered an eligible expense. |
| Condoms | Yes | HCFSA, HSA, HRA | |
| Contact lenses and cleaning solutions | Yes | HCFSA, HSA, HRA | Corrective (prescription) contact lenses only. |
| Cord blood storage | Potentially | HCFSA, HSA, HRA | The cost of collecting and temporarily storing umbilical cord blood for use as future treatment resource for a newborn with a birth defect or a specific medical condition is a potentially-eligible expense with a Letter of Medical Necessity from a physician. Collection and indefinite storage, just in case it is needed, is not considered eligible. |
| Cosmetic surgery | Potentially | HCFSA, HSA, HRA | Eligible only if necessary due to improve a deformity due to a congenital abnormality, personal injury or disfiguring disease. Treatments will be considered eligible if a valid Letter of Medical Necessity accompanies the claim for reimbursement. |

| Service Type | Eligible | Eligible Plan Type(s) | Additional Information |
|--|-------------|-----------------------------------|---|
| Counseling, for treatment of medical condition | Potentially | HCFSA, HSA, HRA | Will qualify if for a medical reason. To show that an expense is primarily for medical care, a valid Letter of Medical Necessity is normally required, including the International Classification of Diseases (ICD) code from a medical practitioner recommending it to treat a specific medical condition. Marriage counseling does not qualify. |
| CPR certification/instruction | No | N/A | |
| Crutches, canes, walkers | Yes | HCFSA, HSA, HRA | Purchase or rental fees |
| Day care centers | Yes | DCFSA | Daycare expenses are only eligible for reimbursement during work hours if the child is under the age of 13 or mentally or physically incapable of self-care. |
| Day care during volunteer work | No | N/A | |
| Deductibles | Yes | HCFSA, HSA, HRA, LPFSA, Combo FSA | For expenses eligible under the specific plan (ie: Dental or Vision only for LPFSA, etc.) |
| Dental care (non-cosmetic) | Yes | HCFSA, HSA, HRA, LPFSA, Combo FSA | |
| Dental products for treatment of a specific dental condition | Potentially | HSA, HCFSA, HRA, Combo FSA, LPFSA | Items will only be considered eligible if they are obtained for dental treatment and not purely for cosmetic reasons. Treatments will be considered eligible if a valid Letter of Medical Necessity accompanies the claim for reimbursement. Toothbrushes are not eligible. |
| Dental treatments | Potentially | HCFSA, HSA, HRA, LPFSA, Combo FSA | Veneers and sealants are considered eligible expenses only if applied as part of treatment of a dental condition and not strictly for cosmetic purposes. Treatments will be considered eligible if a valid Letter of Medical Necessity accompanies the claim for reimbursement. |
| Dentures, bridges, dental reconstruction | Yes | HCFSA, HSA, HRA, LPFSA, Combo FSA | |
| Diabetes monitors and supplies | Yes | HCFSA, HSA, HRA | |
| Diagnostic services | Yes | HCFSA, HSA, HRA | |
| Dietary supplements (for treatment of a medical condition) | Potentially | HCFSA, HSA, HRA | Dietary supplements, nutritional supplements, vitamins, herbal supplements, and natural medicines are only considered eligible expenses if they are used to treat a specific condition or vitamin deficiency. Supplements used for general health (e.g. daily multivitamin) are not considered eligible. A valid Letter of Medical Necessity from a medical practitioner recommending the item to treat a specific medical condition is required. |
| Drug addiction treatment | Yes | HCFSA, HSA, HRA | |
| Drugs, experimental or imported | No | N/A | |
| Drugs, prescription | Yes | HCFSA, HSA, HRA | |
| Dyslexia treatment | Potentially | HCFSA, HSA, HRA | Treatments will be considered eligible if a valid Letter of Medical Necessity accompanies the claim for reimbursement. |
| Educational classes/tuition | No | N/A | |

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|--|-------------|-----------------------------------|--|
| Exercise equipment | Potentially | HCFSA, HSA, HRA | Only considered an eligible expense if the equipment is required to treat a condition diagnosed by a physician and not simply to promote general health. A valid Letter of Medical Necessity from a medical practitioner recommending the item to treat a specific medical condition is required. |
| Eye exams , surgery or treatment for vision correction | Yes | HCFSA, HSA, HRA, LPFSA, Combo FSA | |
| Eye-related equipment/ materials | Yes | HCFSA, HSA, HRA, LPFSA, Combo FSA | Only considered an eligible expense if the equipment is required to treat a condition diagnosed by a physician and not simply for cosmetic purposes, such as non-prescription glasses. |
| Eyeglasses, prescription or over-the-counter | Yes | HCFSA, HSA, HRA, LPFSA, Combo FSA | |
| Face lift procedures | No | N/A | |
| Fertility or ovulation monitor (over-the-counter) | Yes | HCFSA, HSA, HRA | |
| First aid kits (over-the-counter) | Yes | HCFSA, HSA, HRA | |
| Fitness programs | Potentially | HCFSA, HSA, HRA | Fitness programs are potentially eligible for reimbursement if the program is prescribed to treat a specific medical condition and the claim for reimbursement is accompanied by a valid Letter of Medical Necessity. |
| Flu shots | Yes | HCFSA, HSA, HRA | |
| Funeral expenses | No | N/A | |
| Guide dog expenses (purchase, training, care) | Yes | HCFSA, HSA, HRA | |
| Hair removal products and treatments | No | N/A | Including treatments such as Electrolysis |
| Hair transplants | No | N/A | |
| Hair regrowth treatment and medications | Potentially | HCFSA, HSA, HRA | Only considered an eligible expense when it is used to treat a deformity, congenital abnormality, or to treat a disfigurement caused by personal injury or trauma. The expense is not eligible if used for cosmetic purposes, such as treatment of male pattern baldness, even if recommended by a physician. |
| Health club dues | Potentially | HCFSA, HSA, HRA | Health club dues are potentially eligible for reimbursement if participation is prescribed to treat a specific medical condition and the claim for reimbursement is accompanied by a valid Letter of Medical Necessity. |
| Health Savings Account and Medical Savings Account contributions | No | N/A | |
| Hearing aids and batteries | Yes | HCFSA, HSA, HRA | |
| Herbal medicines | Potentially | HCFSA, HSA, HRA | Herbal medicines may be eligible expenses if they are used to treat a specific medical condition. To show that the expense is primarily for medical care, a valid Letter of Medical Necessity from a medical practitioner recommending the item to treat a specific medical condition is required. A prescription for the item may also be required. |

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|---|-------------|-----------------------------------|---|
| Homeopathic medicines (over-the-counter) | Potentially | HCFSA, HSA, HRA | As of January 1, 2011, over-the-counter drugs and medicines require a prescription from a doctor and Letter of Medical Necessity from a medical doctor in order to be considered an eligible expense. You may be required to submit a copy of the prescription and Letter of Medical Necessity as supporting documentation for your claim. This letter must outline how homeopathic medicine will be used to alleviate the condition and how long their treatments will last. |
| Hospital services | Yes | HCFSA, HSA, HRA | For medically necessary services |
| Household help | No | N/A | |
| Immunizations | Yes | HCFSA, HSA, HRA | |
| Infertility treatment for self, spouse or dependent | Yes | HCFSA, HSA, HRA | |
| In home day care or elder care | Yes | DCFSA | In home day care/elder care expenses are only eligible for reimbursement during work hours if the dependent is under the age of 13 or mentally or physically incapable of self-care. |
| Insulin, testing materials, supplies | Yes | HCFSA, HSA, HRA | |
| Insurance or health plan premiums of any kind | No | N/A | See COBRA Premiums |
| Laboratory fees | Yes | HCFSA, HSA, HRA | |
| Lamaze classes, for mother-to-be only | Yes | HCFSA, HSA, HRA | |
| Laser or LASIK eye surgery | Yes | HCFSA, HSA, HRA, Combo FSA, LPFSA | |
| Late payment fees | No | N/A | Healthcare Provider, Child Care, etc. |
| Learning disability treatments | Potentially | HCFSA, HSA, HRA | Treatments will be considered eligible if a valid Letter of Medical Necessity accompanies the claim for reimbursement. |
| Listening therapy | Yes | HCFSA, HSA, HRA | |
| Lodging essential to receive medical care | Potentially | HCFSA, HSA, HRA | Up to \$50 per night is considered eligible if the lodging is basic, non-recreational, and purchased primarily for and essential to medical care provided by a physician in a licensed hospital or medical care facility. Up to \$100 maximum is considered eligible for parents traveling with a child patient, \$50 for each person. |
| Long-term care premiums or services | No | N/A | |
| Magnetic therapy (over-the-counter) | Potentially | HCFSA, HSA, HRA | Magnetic therapy for treatment of a medical condition is eligible for reimbursement with a Letter of Medical Necessity from a physician. |
| Mammogram | Yes | HCFSA, HSA, HRA | |
| Massage therapy, for treatment of a medical condition | Potentially | HCFSA, HSA, HRA | Massage therapy recommended by a physician to treat a specific injury or trauma is considered an eligible expense. Massage for general well-being or stress relief purposes is not eligible. A valid Letter of Medical Necessity from a medical practitioner recommending massage to treat a specific medical condition is required. |

| Service Type | Eligible | Eligible Plan Type(s) | Additional Information |
|---|-------------|--------------------------------------|---|
| Mastectomy-related supplies, special bras | Yes | HCFSAs, HSAs, HRAs | |
| Maternity clothes | No | N/A | |
| Medical equipment, purchase and repair | Yes | HCFSAs, HSAs, HRAs | |
| Medical literature, pamphlets, instruction | No | N/A | |
| Medical monitoring and testing devices | Yes | HCFSAs, HSAs, HRAs | |
| Medical records fees/charges | Yes | HCFSAs, HSAs, HRAs | |
| Medical supplies | Potentially | HCFSAs, HSAs, HRAs | Considered eligible expense if the item is used to diagnose or treat a specific medical condition and is not a personal comfort or cosmetic item. Examples of eligible supplies would be crutches, bandages, glucose testing kits, syringes, blood pressure monitors, wheelchairs and repair. |
| Medicare alternative insurance or Part B premiums | No | N/A | |
| Medical supplement policy premiums | No | N/A | |
| Medicines, over-the-counter | Potentially | HCFSAs, HSAs, HRAs | As of January 1, 2011, over-the-counter drugs and treatments (such as pain relievers, antacids, cold/cough medicines, acne treatments, head lice treatments, nasal sprays, smoking cessation, etc.) require a prescription from a doctor in order to be considered an eligible expense. You may be required to submit a copy of the prescription as supporting documentation for your claim. |
| Mileage expenses for travel to/ from eligible health care | Yes | HCFSAs, HSAs, HRAs | Calculated based on current IRS amounts. |
| Monitors and test kits | Yes | HCFSAs, HSAs, HRAs | |
| Nanny Fees | Yes | DCFSAs | Nanny fees are only eligible for reimbursement during work hours if the dependent is under the age of 13 or mentally or physically incapable of self-care. |
| "No show" fees charged by providers | No | N/A | |
| Nursing services | Yes | HCFSAs, HSAs, HRAs | In-home or facility services will be considered eligible if a valid Letter of Medical Necessity accompanies the claim for reimbursement. |
| Nutritional supplements, for treatment of a medical condition | Potentially | HCFSAs, HSAs, HRAs | Only food items or supplements prescribed by a medical practitioner to treat a specific condition are eligible. The foods must not substitute for normal nutritional requirements. The eligible amount may be limited to the amount by which the cost of the special food exceeds the cost of commonly available versions of the same product. A valid Letter of Medical Necessity from a medical practitioner is required. |
| Occlusal guards for teeth-grinding | Yes | HCFSAs, HSAs, HRAs, LPFSA, Combo FSA | Treatments will be considered eligible if a valid Letter of Medical Necessity accompanies the claim for reimbursement. |

| Service Type | Eligible | Eligible Plan Type(s) | Additional Information |
|---|-------------|-----------------------------------|--|
| Occupational therapy related to a medical condition or disability | Yes | HCFSA, HSA, HRA | |
| Optometrist and Ophthalmologist fees | Yes | HCFSA, HSA, HRA, LPFSA, Combo FSA | |
| Oral care (over-the-counter) | No | N/A | Toothpaste, toothbrushes, mouthwash, dental floss, etc. |
| Organ transplant, recipient and donor | Yes | HCFSA, HSA, HRA | |
| Orthodontia | Yes | HCFSA, HSA, HRA, LPFSA, Combo FSA | |
| Oxygen | Yes | HCFSA, HSA, HRA | |
| Physical exams | Yes | HCFSA, HSA, HRA | |
| Physical therapy | Yes | HCFSA, HSA, HRA | |
| Pregnancy tests (over-the-counter) | Yes | HCFSA, HSA, HRA | |
| Preschool | Yes | DCFSA | Only Preschool expenses incurred during work hours are eligible for reimbursement. |
| Prescription drugs for non-cosmetic purposes | Yes | HCFSA, HSA, HRA | |
| Propecia treatment | Potentially | HCFSA, HSA, HRA | Propecia treatment is only considered an eligible expense when it is used to treat a deformity, congenital abnormality, or to treat a disfigurement caused by personal injury or trauma. The expense is not eligible if used for cosmetic purposes, such as treatment of male pattern baldness, even if recommended by a physician. |
| Prosthesis | Yes | HCFSA, HSA, HRA | |
| Psychiatric care | Yes | HCFSA, HSA, HRA | Will qualify if provided for medical care, and not just for the general improvement of mental health, relief of stress, nor if the expense stems from training to be a psychiatrist. To show that an expense is primarily for medical care, a valid Letter of Medical Necessity is normally required, including the International Classification of Diseases (ICD) code from a medical practitioner recommending it to treat a specific medical condition. |
| Psychoanalysis | Potentially | HCFSA, HSA, HRA | Will qualify if provided for medical care, and not just for the general improvement of mental health, relief of stress, nor if the expense stems from training to be a psychiatrist. To show that an expense is primarily for medical care, a valid Letter of Medical Necessity is normally required, including the International Classification of Diseases (ICD) code from a medical practitioner recommending it to treat a specific medical condition. |
| Psychologist fees | Yes | HCFSA, HSA, HRA | Will qualify if the expense is for medical care, and not just for the general improvement of mental health, relief of stress, nor if the expense stems from training to be a psychologist. To show that an expense is primarily for medical care, a valid Letter of Medical Necessity is normally required, including the International Classification of Diseases (ICD) code from a medical practitioner recommending it to treat a specific medical condition. |
| Radial keratotomy (RK) | Yes | HCFSA, HSA, HRA | |

| Service Type | Eligible | Eligible Plan Type(s) | Additional Information |
|---|-------------|-----------------------------------|--|
| Reading glasses (over-the-counter) | Yes | HCFSA, HSA, HRA, LPFSA, Combo FSA | |
| Reconstructive surgery | Potentially | HCFSA, HSA, HRA | Reconstructive surgery is only considered an eligible expense when it is used to treat a deformity, congenital abnormality, or to treat a disfigurement caused by personal injury or trauma. The expense is not eligible if used for cosmetic purposes |
| Retin-A | Potentially | HCFSA, HSA, HRA | Retin-A is only considered an eligible expense when recommended or prescribed by a medical practitioner for treatment of a skin condition such as severe acne. A valid Letter of Medical Necessity from a medical practitioner is required. It will not be considered an eligible expense, even with a valid Letter of Medical Necessity or prescription from a medical practitioner, if used for cosmetic purposes, such as to diminish wrinkles. |
| Senior center day program | Yes | DCFSA | Elder care expenses are only eligible for reimbursement during work hours if the dependent is mentally or physically incapable of self-care. |
| Special foods, gluten-free, salt-free, etc. | Potentially | HCFSA, HSA, HRA | Food products prescribed by a medical practitioner to treat a specific illness will be considered eligible only if they do not substitute for normal nutritional requirements. The eligible amount is limited to the amount that exceeds the cost of commonly available similar foods. A valid Letter of Medical Necessity from a medical practitioner is required. |
| Special school or instruction programs for mental or physical needs | Potentially | HCFSA, HSA, HRA | Tuition or fees for special schools for mentally impaired or physically disabled persons are considered eligible expenses if the main reason for enrollment in the school is relieving the disability. Examples include teaching Braille to a visually impaired student, special instruction to treat dyslexia, lip reading instruction for a hearing impaired person, and remedial language training to correct a condition caused by a birth defect. |
| Speech therapy | Yes | HCFSA, HSA, HRA | |
| Summer day camp | Yes | DCFSA | Specialty day camps such as sports, computer, science, etc., whose primary purpose is child care can be reimbursed during work hours. However, programs like tutoring programs and summer school whose primary purpose is education are not eligible for reimbursement. Day camps that meet the statutory definition of dependent care centers must comply with state and local laws on licensing and related issues. |
| Summer school | No | N/A | |
| Sunglasses, non-prescription | No | N/A | |
| Sunglasses, prescription | Yes | HCFSA, HSA, HRA, LPFSA, Combo FSA | |
| Sunscreen/Topical SPF lotion | Potentially | HCFSA, HSA, HRA | Sunscreen lotion, spray, ointment, etc., is only eligible for reimbursement if used to treat or alleviate a specific medical condition such as melanoma. A prescription from a doctor is required. |
| Surgery, non-cosmetic purposes | Yes | HCFSA, HSA, HRA | |
| Teeth whitening/bleaching | No | N/A | |

| Service Type | Eligible | Eligible Plan Type(s) | Additional Information |
|---|-------------|-----------------------------------|---|
| Therapy, for treatment of a medical condition | Yes | HCFSA, HSA, HRA | |
| Transgender counseling or surgery | Potentially | HCFSA, HSA, HRA | Transgender counseling or surgery is potentially eligible with a Letter of Medical Necessity from a physician. |
| Transportation, parking, related travel expenses to obtain medical care | Potentially | HCFSA, HSA, HRA | Transportation expenses such as car mileage, bus, taxi, train, plane, and ferry fares and ambulance services are considered eligible if they are incurred primarily for and essential to medical care. A standard mileage rate may apply. Parking fees and tolls may also be considered eligible expenses. |
| Tuition, educational classes/ training programs | No | N/A | |
| UV-protective clothing | Potentially | HCFSA, HSA, HRA | Sun protective clothing is not eligible for reimbursement. If a person has a medical condition or disease that prevents them from using normal sun protection lotion, then it is possible for a medical doctor to provide a Letter of Medical Necessity which may allow for the sun protective clothing to be considered eligible for reimbursement. Only the excess cost of the specialized garment over the cost of ordinary clothing will qualify. |
| Vaccinations | Yes | HCFSA, HSA, HRA | |
| Varicose vein removal surgery | Potentially | HCFSA, HSA, HRA | This surgery is only considered an eligible expense if recommended by a physician to treat a specific medical condition, not for cosmetic purposes. A valid Letter of Medical Necessity from a medical practitioner is required. |
| Vitamins, general wellness (over-the-counter) | No | N/A | |
| Vitamins, prescription | Yes | HCFSA, HSA, HRA | |
| Weight-loss counseling, programs or over-the counter medications | Potentially | HCFSA, HSA, HRA | Weight-loss counseling, programs and over-the-counter medications will only be considered an eligible expense if recommended by a physician to treat a specific medical condition such as obesity, heart disease, or diabetes. Programs are not considered eligible if purchased only for general health improvement. The cost of special prepackaged food associated with a weight-loss programs is not considered an eligible expense. A valid Letter of Medical Necessity from a medical practitioner is required. |
| X-ray fees, dental | Yes | HCFSA, HSA, HRA, LPFSA, Combo FSA | |
| X-ray fees, medical | Yes | HCFSA, HSA, HRA, | |

CONTACT INFORMATION

Mercer Marketplace 365 Participant Services representatives are available Monday through Friday 8 am to 9 pm ET.

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