

# Important Changes to Your Benefit Account

Effective January 1, 2011, over-the-counter (OTC) medicines and drugs will require a prescription for reimbursement from a Health Care FSA, Health Reimbursement Arrangement (HRA) or a Health Savings Account (HSA). This new rule applies to all purchases made on or after January 1, 2011. The IRS continues to release additional guidance and the communication of this change is based on our current understanding (September, 2010).

## SUMMARY OF THE CHANGE

Starting with all purchases beginning on or after January 1, 2011, OTC medications such as antacids, allergy medicines, pain relievers and cold medicines are still eligible for reimbursement but will require a prescription from your physician to qualify for reimbursement. The following list includes types of OTC Medicines that we expect to be eligible for reimbursement **only with a prescription** from your physician:



Allergy Medicines	Anti-Fungal Treatments	Digestive Aids	Respiratory Treatments
Antibiotic Ointments	Antiseptics	Heartburn Medicines	Sinus Medications
Anti-Itch Medicines	Cold Remedies	Laxatives	Sleeping Aids
Anti-Inflammatory Drugs	Cough Medicines	Pain Relievers	Stomach Remedies

## HOW DOES THIS AFFECT THE USE OF MY HFS BENEFITS DEBIT CARD?

If you use a debit card to access your benefit account(s), **your debit card will no longer work for OTC purchases** once the requirement is fully integrated at the retail level. Therefore, to be reimbursed you will need to remit a reimbursement request including the prescription from your physician. All debit card transactions for OTC medicines (e.g., transaction at a 90% pharmacy) will require substantiation.

## WHAT ABOUT OTC ITEMS THAT ARE NOT MEDICATIONS?

This change does not impact certain non-medicinal OTC items. The following list includes types of non-medicinal items that can still be purchased with your debit card and can be reimbursed without a prescription from your physicians:

Band Aids	Bandages	Contact Lens Solution	Home Pregnancy Tests
Diabetic Supplies (including Insulin)	Reading Glasses	Blood Pressure Monitors	Crutches

## WHAT ABOUT OTC MEDICINE PURCHASES PRIOR TO JANUARY 1, 2011?

You can still submit a reimbursement request for all purchases made prior to January 1, 2011 without a prescription.

## WHAT ABOUT PURCHASES MADE DURING THE GRACE PERIOD (IF APPLICABLE)?

Any OTC medicine purchases on or after January 1, 2011, including those during the grace period, are subject to the new requirement. Therefore, to be reimbursed you will need to remit a reimbursement request including the prescription from your physician.

## WHAT IS REQUIRED FOR OTC MEDICATIONS TO BE REIMBURSED?

You have a choice. You can either have your physician complete a prescription on his/her prescription pad or you can use our updated letter of medical recommendation form available at [www.hfsbenefits.com](http://www.hfsbenefits.com). Once completed, simply submit it to HFS Benefits along with a signed reimbursement request and the sales receipt(s) for reimbursement. HFS Benefits will maintain the prescription on file for twelve months.

## PLANNING YOUR ELECTION

If you are planning for your new plan year, consider this new requirement as you plan your election. Once you make your election, you cannot change your election without a qualifying event.

Check the news section at [www.hfsbenefits.com](http://www.hfsbenefits.com) for updates

