

Important Information about Your Benny Card

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

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), Health Reimbursement Arrangement (HRA), or Health Savings Account (HSA) pre-tax funds.

As of January 1, 2011:

1. FSA, HRA, or HSA funds can **no longer be used to purchase OTC medicines and drugs** unless the medicine or drug is prescribed.

The OTC drugs and medicines affected include items in the following categories:

- Acid controllers
- Acne medications
- Allergy & sinus
- Antibiotic products
- Antifungal (Foot)
- Antiparasitic treatments
- Antiseptics & wound cleansers
- Anti-diarrheals
- Anti-gas
- Anti-itch & insect bite
- Baby rash ointments & creams
- Baby teething pain
- Cold sore remedies
- Contraceptives
- Cough, cold & flu
- Denture pain relief
- Digestive aids
- Ear care
- Eye care
- Feminine antifungal & anti-itch
- Fiber laxatives (bulk forming)
- First aid burn remedies
- Hemorrhoidal preps
- Homeopathic remedies
- Incontinence protection & treatment products
- Laxatives (non-fiber)
- Medicated nasal sprays, drops, & inhalers
- Medicated respiratory treatments & vapor products
- Motion sickness
- Oral remedies or treatments
- Pain relief (includes aspirin)
- Skin treatments
- Sleep aids & sedatives
- Smoking deterrents
- Stomach remedies

2. **If you have a prescription for an OTC medicine or drug, you can use your Benny Card for this purchase as long as the prescription is filled by the pharmacist with an Rx number assigned.**
 - a. **This means you must take your written prescription for the over-the-counter drug to the pharmacy.**
 - b. **The pharmacy will assign an RX number to the over-the-counter drug.**
 - c. **If these first two steps are completed, the Benny card can be used to purchase items that are listed in the above categories.**

If your OTC prescription is not filled by a pharmacist, but you do have a written RX from a medical practitioner, you must pay out of pocket and submit a manual claim requesting reimbursement.

3. You can continue to use your FSA, HRA, or HSA funds to purchase eligible OTC items that are not considered a medicine or drug (e.g. bandages, splints, contact lens solution, etc.) **We have also included a new listing of eligible Over the Counter items.** Please note that **insulin remains an eligible expense** with or without a prescription. **So, your Benny Card can continue to be used for these purchases.** (Note: Some retail merchants may not remove OTC medicine and drugs from their list of eligible items until the last date allowed by the IRS – January 15. At these merchants, your card can be used to purchase OTC medicines and drugs without a prescription until they are removed from the list).
4. If you have questions about this OTC change or need more information, **please contact Sherry Nicholson, your Flexible Benefits Administrator at 540-438-4130 / 800-366-3846 or snicholson@ldbinsurance.com.**