

# Eligible Expenses

## Under Your Health Flexible Spending Account (FSA)



**BlueCross BlueShield  
of Alabama**

An Independent Licensee of the Blue Cross and Blue Shield Association

### The IRS defines an eligible expense as...

“Medical care expenses include amounts paid for the diagnosis, care, mitigation, treatment or prevention of disease or illness and for treatments affecting any part or function of the body.”



Usually, any healthcare expenses that are deductible under the Internal Revenue Code and not covered by insurance or any other source that provides benefits are eligible for reimbursement through the Health FSA. The exception to this is expenses for cosmetic procedures, expenses incurred for general health and well-being and health insurance premiums. The participant, the participant's spouse, children and any other person who is a qualified dependent under sections 105 and 106 of the U.S. Internal Revenue Code can incur eligible expenses.

### Common Eligible Expenses

- Dental expenses
- First-aid supplies
  - Bandages
  - Hot/cold packs for injuries
- Flu shots
- Hearing aids
- Immunizations
- Medical and dental deductibles, copayments and coinsurance
  - Office visits
- Lab services
- X-rays
- Routine physical exams
- Medical supplies
  - Braces and supports
  - Wheelchairs, walkers and canes
  - Diabetic supplies
  - Ostomy products
  - Catheters
- Orthodontia
- Prescription drugs
- Smoking cessation programs
- Vision
  - Routine exams
  - Eyeglasses/reading glasses
  - Contact lenses and solutions
  - Prescription sunglasses
  - LASIK/radial keratotomy

### Detailed List of Eligible Expenses from IRS Publication 502

- Acupuncture
- Automobile equipment to assist the physically disabled
- Birth control pills
- Braille books and magazines
- Childbirth preparation classes
- Chiropractic expenses
- Copays
- Coinsurance
- Cost of guide or guide dogs for persons who are visually or hearing impaired
- Cost of a note-taker for a hearing impaired child in school
- Crutches
- Detoxification or drug abuse centers
- Expenses in excess of medical, dental, or vision plan limits
- Expenses for services connected with donating an organ
- Household visual alert system for hearing impaired persons
- Laser eye surgery
- Orthopedic shoes
- Physical therapy
- Postage/handling fees for medical supplies
- Psychotherapy
- Radiation treatments
- Respirators
- Routine physical exams
- Specialized equipment for disabled persons
- Special devices, such as a tape recorder and typewriter, for persons who are visually impaired
- Speech therapy
- Sterilization surgery
- Transportation expenses related to medical care
- Weight reduction program for physician diagnosed obesity
- Wigs for hair loss due to any disease (must have doctor's certification)



Over-the-counter medications are considered eligible expenses only when accompanied by a doctor's written prescription. In addition to the doctor's written prescription, an itemized receipt showing the name of the drug, the date purchased and the purchase price is required for validation. If the cash register receipt does not give the name of the item, a more detailed receipt from the merchant will be required.

In some cases, additional documentation may also be required to validate the expense for reimbursement.

## Ineligible Expenses

### OVER-THE-COUNTER MEDICATIONS

- Allergy and asthma medicines, nasal sprays
- Pain relievers
  - Topical creams
  - Oral medicines
- Cough and cold items
  - Cough drops
  - Throat lozenges
  - Cough syrup
  - Cold medicines
  - Flu relief
- Creams and lotions
  - Baby rash ointments/creams
  - Burn ointment
  - Antibiotic cream
  - Cortisone cream
  - Calamine lotion
  - First-aid spray
  - Bug bite medication
- Suppositories and hemorrhoid cream
- Laxatives
- Acid controllers
- Cold sore remedies
- Sleep aids
- Motion sickness medication
- Anti-gas/anti-diarrheal treatments
- Digestive aids

### MISCELLANEOUS ITEMS

- Toothpaste, toothbrushes and dental floss
- Cosmetic services
- Cosmetics
  - Makeup
  - Lipstick
  - Eye cream
  - Face cream
  - Moisturizer
  - Suntan lotion
  - Perfume
  - Body spray
  - Deodorant
  - Shampoo
  - Soap
- Sunscreen
- Veneers
- Teeth whitening
- Dietary/nutritional supplements
  - Vitamins
  - Protein bars
  - Food and food substitutes
- Physician access retainer fees
- Insurance premiums
- Health club fees/dues
- Prescription drugs and medicines purchased from other countries

**NOTE:** Over-the-counter medications and some miscellaneous items may be considered an eligible Health FSA expense when accompanied by a doctor's written prescription.



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