

## OVER-THE-COUNTER DRUGS

The Treasury Department and the IRS released a Revenue Ruling on September 3<sup>rd</sup> announcing that over-the-counter (OTC) drugs may now be paid for with pre-tax dollars through health care Flexible Spending Accounts (FSA).

OTC drugs include many drugs that used to be prescription drugs, such as Claritin and Advil, as well as items like cold or cough medicine, pain relievers, allergy medications, and antacids.

OTC items that are merely beneficial to the general health of an individual, such as vitamins, toiletries (such as toothpaste, mouthwash, etc.), dietary and nutritional supplements, and cosmetics (such as face cream) **are not allowable**. You may find additional information on the OTC announcement at the IRS website located at: [www.irs.gov/newsroom](http://www.irs.gov/newsroom).

As with all other FSA expenses, you will need to save your receipts for these items and send them in when you submit your FSA claim reimbursement form. The IRS requires proper substantiation for each item purchased to show that they are being used to “alleviate or treat personal injuries or sickness” for you and/or your dependent(s).

Remember, adequate substantiation for these claims must include the name of the drug or medicine, the date it was purchased, and the charge for the item. If the name of the drug is not listed on the receipt, you must write the name of the drug on your claim form. Here is a partial list of Eligible and In-eligible OTC Drugs:

### Eligible Over-the-Counter Reimbursable Medical Expenses

Allergy Relief, such as oral medications, nasal sprays, and patches
Analgesics, such as Fever and Pain Reducers like Aspirin, Tylenol, Ibuprofen
Antacids and Heartburn Relief, such as Alka-Seltzer, Mylanta, and Milk of Magnesia
Antibiotic ointment
Anti-itch and hydrocortisone creams
Arthritis pain relieving creams
Athlete’s Foot Treatment, such as nail and foot anti-fungal creams
Blood Pressure monitor and related equipment
Cholesterol test equipment
Cold Medicines, such as tablets, syrups, drops, and lozenges
Diabetes, such as glucose monitor and related equipment
Eye Care, such as contacts, saline solution, and lubricant eye drops
Eye Patches
Feminine Care relating to treatment of vaginal infections
First Aid, such as heat wraps, compresses, bandages, tape, gauze dressing, adhesive pads, band aids, and pain relieving creams
Incontinence Products, such as Depends and Serenity pads
Joint Support Bandages and Hosiery, such as knee supports, elbow supports
Laxatives
Motion Sickness, such as Dramamine, patches, bracelets
Shampoo Treatments relating to treatment of psoriasis, lice
Smoking Cessation Relief, such as patches, gum
Stomach & Digestive Relief, such as Pepto-Bismol, Imodium, Colace, Lactaid
Tooth and Mouth Pain Relief, such as Orajel, Anbesol
Urinary Pain Relief
Vaporizers and Humidifiers
Wart Removal medication

### Ineligible Over-the-Counter Reimbursable Medical Expenses

Vitamins (for the general health of an individual)
Toiletries, such as toothpaste, mouthwash, etc.
Dietary and Nutritional Supplements
Cosmetics, such as face cream