

Section 213(d) of the Internal Revenue Code defines qualified expenses and premiums, in part, as “medical care” amounts paid for insurance or “for the diagnosis, cure, mitigation, treatment, or prevention of disease...” Expenses solely for cosmetic reasons generally are not eligible (e.g. face-lifts, hair transplants, hair removal, etc.).

Insurance premiums paid by an employer, or premiums that are or could be deducted pre-tax through your or your spouse’s Section 125 cafeteria plan, are not eligible for reimbursement.

If you have a Section 125 health care flexible spending account (FSA), you must exhaust your FSA benefits before submitting an eligible claim.

Claims for over-the-counter (OTC) medicines and drugs should be for reasonable quantities expected to be consumed within a reasonable period of time. Typically, two bottles of an item is the limit. Sales tax can be included.

The following is not a complete list, but contains many common qualified expenses and premiums.

COMMON EXPENSES

Co-pays
Coinsurance
Deductibles

INSURANCE PREMIUMS

Medical/Dental/Vision
Long-term care (tax-qualified, subject to IRS limits)
Medicare Parts B & D
Medicare supplement Plan

MILITARY COSTS

TRICARE
EXTRA
PRIME
PRIME supplement
Retiree dental
Standard

MEDICARE COSTS

Deductibles

Co-pays
Coinsurance
Clinical laboratory services
Home health care
Hospice care
Hospital stay
Mental health services
Outpatient hospital services

SERVICES & FEES

Acupuncture
Chiropractor
Christian Science
Dentist
Gynecologist
Laboratory
Naturopath
Nursing
Obstetrician
Oral surgeon
Ophthalmologist
Optometrist

Orthodontist
Osteopath
Physicals
Physician
Physiotherapist
Psychiatrist
Psychologist

OTHER EXPENSES

Alcoholism & drug treatment center costs
Contact lenses, solutions
Eye glasses
Hearing aids & batteries
Immunizations
Laser eye surgery
Medical supplies & equipment
Physical therapy
Prescription medicines
Stop smoking programs

Telephone for deaf (TYT)
Transportation (subject to IRS limits)
Wheelchair
X-rays

OTC MEDICINES & DRUGS

Allergy medicines
Antacids
Cold medicines
Eye care products
First aid creams/liquids
Nicotine gum/patches
Pain relievers
Sinus
Sleeping aids

Questions? Call the third-party administrator, REHN & ASSOCIATES, at 1-800-832-2101.

Call 206-684-1556 for alternate formats.