



ELIGIBLE MEDICAL FSA ELIGIBLE EXPENSES

The IRS has established a list of medical, dental and vision care expenses that are eligible for reimbursement under this plan. You may request reimbursement for eligible expenses for yourself, your spouse or your dependents. If you incur an expense that is not listed here and you would like to know whether or not it is an eligible expense under this plan, please contact EBS Customer Service from 8AM to 5PM PST, Monday through Friday at 888.327.2770. You may also refer to IRS Publication 502 "Medical and Dental Expenses." You can order this publication by calling the IRS at 800-829-3676.

Eligible Medical Care Expenses (partial list)

Acupuncture	Laboratory fees
Ambulance	Orthodontia
Artificial Limbs	Orthopedic shoes
Braille books & magazines	Physical therapy fees
Chiropractors' fees	Prescription drugs
Coinsurance	Psychiatrists' / Psychologists' fees
Contraceptive prescriptions	Psychotherapists' fees
Co-payments	Routine physicals
Crutches	Seeing-eye dog
Diabetic supplies	Skilled nurses' fees
Gynecologists' fees	Speech therapists' fees
Health insurance deductibles	Smoking cessation treatments & prescriptions
Hearing aids / batteries	Sterilization fees
Hypnosis for medical reasons	Treatment for substance addiction
Immunizations / vaccinations	Wheelchairs
Insulin	Weight loss treatments (prescribed by a physician)
Mileage / travel costs related to an eligible expense	

Eligible Dental Care Expenses (partial list)

Dentists' fees (other than for cosmetic services)
Dentures
Orthodontia
Periodontist fees

Eligible Vision Care Expenses (partial list)

Eye exams
Laser / Lasik eye surgery
Prescription eyeglasses and / or contact lenses
Radial keratotomy / ortho keratology

Ineligible Expenses

This partial list includes medical, dental or vision expenses that are considered not eligible for reimbursement from your Medical Care Reimbursement Account:

- Cosmetic surgery or procedures of any kind
- Health club memberships
- Insurance premiums
- Lens replacement insurance
- Marriage counseling
- Physical therapy for general well-being
- Supplements prescribed by an alternative provider (i.e. acupuncturist)
- Union dues

If you are concerned about an expense not listed, please contact EBS Customer Service.



OVER-THE-COUNTER ELIGIBLE EXPENSES (for a Medical FSA that began prior to 12/31/10)

The following represents a partial listing of eligible over-the-counter expenses for Medical Care flexible spending accounts. This list is subject to change as further clarification is made. Only Medical flexible spending accounts that began before December 31, 2010 will allow over-the-counter items as eligible expenses. If you are unable to determine the eligibility of a particular expense, please contact EBS Customer Service from 8AM to 5PM PST, Monday through Friday at 888.327.2770.

Acne medications	Eye drops	Pain relievers / fever reducers
Allergy medications	First aid creams / ointments	Pedialyte for child's dehydration
Antacids	Gauze	Pinworm treatment
Antibiotic creams	Head lice treatment	Poison treatment
Anti-diarrhea medications	Heartburn / indigestion medicines	Pregnancy test kits
Anti-fungal medications	Hemorrhoid creams / suppositories	Rashes – diaper rash / fever blisters
Anti-itch medications	Laxatives	Rashes – poison oak / ivy / sumac
Anti-gas medications	Liquid adhesive	Reading glasses
Blood pressure monitors	Medicated cleanser / soap	Rubbing alcohol
Calamine lotion	Menstrual cramp / pain products	Sinus medications
Carpal tunnel supports	Motion sickness pills	Sleeping aids
Contact lens solutions	Nasal decongestant	Smoking cessation treatment
Cough / cold / flu / fever medicine	Nicotine gum / patches	Thermometers
Drugs, previously prescription	Night guards for teeth grinding	Throat lozenges
Ear care / swimmer's ear	Ointments for burns / sunburn	Wart removal treatments

Dual Purpose Expenses

The following partial would be eligible for reimbursement only if used to treat a specific medical condition. These expenses cannot be used to improve or maintain general well-being, if even prescribed by a physician (for general health). These expenses will only be reimbursed with a note from a medical practitioner / physician naming the medical condition and recommended treatment (cannot be for a cosmetic procedure) for which it will be used and submit with receipt for reimbursement. If you are concerned about any of the below items, please contact EBS Customer Service.

- Feminine hygiene – most likely in reference to general health or toiletries (i.e. tampons)
- Glucosamine / Chondroitin
- Herbal medications
- Hormone therapy / treatments for Menopause
- Household products used to treat allergies
- Nasal sprays for snoring
- Medicated shampoos / soaps
- Orthopedic shoes and inserts
- Pills for lactose intolerance
- Prenatal vitamins – not for general well-being
- Sunscreen – not for general skin health
- Weight loss – items that replace normal food consumption are generally not reimbursable

Excluded Over-the-Counter Expenses

The following is a partial listing of over-the-counter items that are not permitted to be reimbursed through your Medical flexible spending account:

- Chapstick / lip balm
- Cosmetic products of any kind
- Cleansers or soap that are considered toiletries (non-medicated)
- Dental floss
- Deodorants
- Dietary supplements - used to improve or maintain general health
- Eye and facial makeup preparations
- Face cream
- Fiber supplements - used for general health
- Fingernail polish
- Hair color / hair products
- Herbal supplements - used to improve or maintain general health
- Lipstick
- Mouthwash
- Shampoo
- Skin moisturizers/lotions
- Suntan lotion
- Sunscreen - used for general health purposes
- Teeth whitening products
- Toiletries of any kind
- Toothpaste
- Toothbrushes
- Vitamins - used to improve or maintain general health

Prerequisites for reimbursement of an over-the-counter expense include (for 2010 only):

- The sponsoring plan must allow for the expense;
- The over-the-counter expense is generally regarded as a medicine or a drug;
- The over-the-counter expense is not a toiletry item or for cosmetic purposes;
- The over-the-counter expense is legally procured;
- The expense was incurred during the plan year and during the time you were an active participant in the plan; and
- The expense must be accompanied by proper documentation. The receipt for OTC expenses must include a description of the product, the date of the purchase, the name of the service provider (drugstore, doctor, etc.) and the amount of the item. If considered a dual-purpose item, then a note from a medical practitioner must accompany the receipt.



ELIGIBLE DEPENDENT CARE EXPENSES

A Dependent Care Reimbursement Account allows you to set aside part of your salary each pay period on a pre-tax basis to reimburse eligible expenses incurred for the care of your child, disabled spouse, elderly parent or other dependent who is physically or mentally incapable of self-care, so that you (and your spouse, if applicable) can work.

Eligible Dependents

- Your child age 12 or younger of whom you have custody and for whom you are entitled to claim a deduction on your federal tax return. For children of divorced or separated parents, only the parent with custody (rights to claim the child for tax purposes) can consider the child an eligible dependent under this plan.
- Your child of any age who is physically or mentally unable to care for him/herself, even if he/she does not entitle you to a deduction on your federal tax return.
- Your spouse who is physically or mentally unable to care for him/herself, even if he/she does not entitle you to a deduction on your federal tax return.

Guidelines for Eligible Dependent Care Expenses

- Only care provided inside or outside your home by anyone other than your spouse, a person you list as your dependent for income tax purposes or one of your children under age 19 would be eligible.
- If your dependent is in first grade or higher (through age 12), the cost of schooling must be separated from the cost of care submitted for reimbursement.
- If your dependent is in a grade before first grade and the cost of care and the cost of schooling can be separated, then only the cost of care is reimbursable. However, if the cost of schooling cannot be separated from the cost of care, the total cost is reimbursable.
- A dependent care center or child care center would be eligible for reimbursement (if the center cares for more than six children, it must comply with all applicable state and local regulations).
- A housekeeper, au pair or nanny whose services include, in part, providing care for a qualifying dependent would be eligible for reimbursement.
- To qualify for reimbursement, you must provide your dependent care provider's tax ID number or social security number on your federal tax return (IRS form 2441). If you fail to provide this information, your reimbursements may not be eligible and may be reclassified as taxable income by the IRS.
- You are responsible for making sure that the expenses you submit for reimbursement are considered eligible expenses by the IRS. If you are not sure whether an expense is eligible, please contact EBS Customer Service from 8AM to 5PM PST, Monday through Friday at 888.327.2770. You may also refer to IRS Publication 503: Child and Dependent Care Expenses which is available by calling the IRS at 800-829-3676 or through the IRS website in the Forms and Publications section.

