



> FLEX / HRA SERVICES / SECTION 125

> HEALTH SAVINGS ACCOUNTS (HSA)

> CUSTOMER SERVICE

> FORMS DIRECTORY

> ONLINE SERVICES

> PRODUCTS & SERVICES

> BROKERS & AGENTS

> INTERNATIONAL LIFE INSURANCE SERVICES

> LIFE DIVISION BROKERS

> HIPAA PRIVACY NOTICE

## Flex / HRA Services / Section 125

### » Flexible Spending Account Eligible Expenses

- [Common Unreimbursed Medical Expense Account Requests](#)
- [Common Day Care Reimbursement Requests](#)

American Fidelity does not reimburse capital expenses, even though they may be qualified expenses. Examples of capital expenses include, but are not limited to, exercise equipment, removal of lead-based paint, air conditioner, air purifier, mattresses, pillows or vacuums, water filters, automobile modifications for physically handicapped individuals, home improvements such as exit ramps, widening doorways, etc. to accommodate physically handicapped individuals.

\* *Dual-purpose items require a doctor's diagnosis of a medical condition and evidence that the item is recommended to treat the diagnosed condition.*

### Common Unreimbursed Medical Expense Account Requests

EXPENSE	ELIGIBLE?	DUAL PURPOSE?
<b>Abortion</b>	Yes, if legal abortion.	
<b>Acne treatment – over the counter</b>	Yes, if treating medical condition such as acne vulgaris (but see Retin A).	Yes
<b>Acupuncture</b>	Yes, if treating medical condition.	Yes
<b>Administrative costs</b>	Yes, health FSA or HSA monthly account maintenance fees qualify for reimbursement from corresponding account.	
<b>Adoption – medical expenses incurred before adoption is finalized</b>	Yes, if child was legal dependent when services provided.	
<b>Advanced reimbursements</b>	No (but see Orthodontia expenses and Prenatal expenses).	
<b>Alcoholism treatment</b>	Yes, for inpatient treatment (including meals and lodging) at a center for alcohol addiction.	
<b>Allergy medicine</b>	Yes	
<b>Ambulance</b>	Yes	
<b>Analgesics</b>	Yes	
<b>Antacid</b>	Yes	
<b>Antihistamine</b>	Yes	
<b>Anti-itch creams</b>	Yes	
<b>Antibiotic sprays or ointments (for first aid)</b>	Yes	
<b>Artificial limbs and teeth</b>	Yes	
<b>Aspirin</b>	Yes	
<b>Autopsy</b>	No	
<b>Babysitting/child care</b>	No	
<b>Bandages</b>	Yes	
<b>Behavioral modification programs</b>	Possibly (see Schools and education, special).	Yes
<b>Birth control pills</b>	Yes	
<b>Birthing classes/childbirth classes/Lamaze</b>	Yes, if classes relate to childbirth and not child rearing. Expenses for a coach, doula or significant other are not eligible.	Yes
<b>Blood pressure monitoring devices</b>	Yes	
<b>Blood sugar test kit and test strips</b>	Yes	

<b>Body scan</b>	Yes, for diagnostic purposes.	
<b>Breast pumps</b>	No, unless medical need.	Yes
<b>Breast reconstruction surgery following mastectomy</b>	Yes, if mastectomy was done following cancer.	
<b>Calamine lotion</b>	Yes	
<b>Carpal tunnel wrist supports</b>	Yes	
<b>Chelation therapy</b>	Yes, if used to treat medical condition such as lead poisoning.	Yes
<b>Childbirth classes</b>	Yes, if classes relate to childbirth and not child rearing. Expenses for a coach, doula or significant other are not eligible.	Yes
<b>Chiropractors</b>	Yes	
<b>Chondroitin</b>	Yes, if used to treat medical condition and not to maintain good health.	Yes
<b>Christian Science practitioners</b>	Yes, fees paid to Christian Science practitioners for medical care will qualify.	Yes
<b>Circumcision</b>	Yes	
<b>COBRA premiums</b>	No	
<b>Cold medicine</b>	Yes	
<b>Cold/hot packs</b>	Yes	
<b>Condoms</b>	Yes	
<b>Co-insurance amounts, co-payments and deductibles</b>	Yes, if the underlying service/item qualifies.	
<b>Contact lenses, solutions and equipment</b>	Yes, if the lenses are needed for a medical condition.	
<b>Contraceptives</b>	Yes	
<b>Cosmetic procedures or surgery</b>	No, except for amounts paid for surgery necessary to improve a deformity arising from a congenital abnormality, personal injury from an accident or trauma, or a disfiguring disease.	
<b>Cosmetics</b>	No, including face cream, moisturizer, deodorant, hand/body lotion, make-up, shampoo, toothpaste, mouthwash or any other item used for ordinary cosmetic purposes.	
<b>Cough suppressants</b>	Yes	
<b>Counseling</b>	Yes, for medical reason; no, for marriage counseling.	Yes
<b>Crutches</b>	Yes, for rental or purchase.	
<b>Decongestants</b>	Yes	
<b>Deductibles</b>	Generally, yes (see Co-insurance amounts, co-payments and deductibles).	
<b>Dental treatment</b>	Yes, but see restrictions for Teeth whitening and bleaching	
<b>Dentures and denture adhesives</b>	Yes	
<b>Dependent daycare expenses</b>	No	
<b>Diabetic supplies</b>	Yes	
<b>Diagnostic services</b>	Yes	
<b>Diaper rash ointment/cream</b>	Yes	
<b>Diapers or diaper service</b>	No, unless used to relieve the effects of a diagnosed medical condition, such as urinary incontinence in adults.	Yes
<b>Diarrhea medicine</b>	Yes	
<b>Dietary supplements</b>	Yes, if recommended by medical practitioner to treat a specific medical condition.	Yes
<b>DNA collection and storage</b>	Generally no, but temporary storage may be reimbursable if collected as part of a diagnosis, treatment or prevention of existing or imminent medical condition.	Yes

<b>Drug addiction treatment</b>	Yes, for inpatient treatment (includes meals and lodging) at a therapeutic drug center.	
<b>Drug overdose treatment</b>	Yes	
<b>Drugs and medicines</b>	Yes, if legally obtained and generally accepted as medicines and drugs and are used to treat a medical condition. This includes prescription drugs and over-the-counter drugs. Certain over-the-counter medicines may require a doctor's statement for necessity.	Yes
<b>Ear plugs</b>	Yes, if treating medical condition.	Yes
<b>Egg donor fees</b>	Yes	
<b>Eggs and embryos storage fees</b>	Possibly, with respect to temporary storage, but only to the extent necessary for immediate conception.	Yes
<b>Electrolysis or hair removal</b>	Generally, no.	
<b>Eye examinations, eyeglasses and related equipment and materials/cleaners</b>	Yes	
<b>Face creams, moisturizers</b>	No	
<b>Face lifts</b>	No	
<b>Feminine hygiene products</b>	No (but see Incontinence supplies and Menstrual pain relievers).	
<b>Fertility treatments (e.g., surgery, in vitro fertilization (IVF), gamete intrafallopian transfer (GIFT) and shots)</b>	Yes, to the extent procedure is intended to overcome an inability to have children. Expenses for IVF surrogate not deductible unless the surrogate is a tax dependent.	
<b>Fiber supplements</b>	No, if taken as a supplement to a normal diet; yes, if recommended by a medical practitioner to treat a specific medical condition.	Yes
<b>First aid cream and first aid kits</b>	Yes	
<b>Fitness programs</b>	Yes, but only if prescribed by a doctor for treatment of obesity or other medical condition.	Yes
<b>Flu shots</b>	Yes	
<b>Food and Food Substitutes</b>	No	
<b>Funeral expenses</b>	No	
<b>Gambling addiction treatment</b>	Yes, for inpatient treatment (including meals and lodging) at a center for gambling addiction.	
<b>Gauze pads</b>	Yes	
<b>Genetic testing</b>	Yes, if for determination of possible birth defects; no if for sex determination.	Yes
<b>Glucosamine</b>	Yes, if primarily for medical treatment.	Yes
<b>Glucose monitoring equipment</b>	Yes, including blood glucose meters and test strips for diagnostic purposes.	
<b>Guide dog or other animal aide</b>	Yes, includes expenses related to purchase, training and care of animal used by vision-impaired or hearing-impaired person.	
<b>Hair removal/transplant</b>	No, usually cosmetic.	
<b>Health club dues and fees</b>	No, for general health purposes, but may be allowed if prescribed by a doctor to treat a specific medical condition.	Yes
<b>Hearing aids</b>	Yes, including batteries.	
<b>Hemorrhoid treatment</b>	Yes	
<b>Herbal supplements</b>	See Dietary supplements.	Yes
<b>Home care</b>	Yes, if expenses qualify as nursing services; no, if for long term care.	Yes
<b>Hormone replacement therapy</b>	Yes, if primarily for medical care.	Yes
<b>Hospital services</b>	Yes	
<b>Illegal operations and treatments</b>	No	
<b>Immunizations</b>	Yes	

<b>Incontinence supplies</b>	Yes, used specifically to treat incontinence.	Yes
<b>Infertility treatments</b>	See Fertility treatments.	
<b>Insect bite creams and ointments</b>	Yes	
<b>Insulin</b>	Yes	
<b>Insurance premiums</b>	No	
<b>Laboratory fees</b>	Yes, if part of medical care or diagnosis.	
<b>Lamaze class</b>	See Childbirth classes.	Yes
<b>Language training for dyslexic/disabled child</b>	Yes	Yes
<b>Laser eye surgery/Lasik/Radial Keratotomy</b>	Yes, for correction of eye function.	
<b>Late fees on medical bills</b>	No	
<b>Laxatives</b>	Yes	
<b>Learning disability, instructional fees</b>	Yes, includes expenses for special school or specially trained teacher (prescribed by doctor) for a child who has severe learning disability caused by mental or physical impairment.	
<b>Liquid bandage</b>	Yes	
<b>Lodging at hospital or similar institution</b>	Yes, if there to receive medical care.	
<b>Lodging not at hospital or similar institution</b>	Yes, up to \$50/night, provided: (1) lodging is primarily for and essential to medical care; (2) medical care is provided in a hospital or medical facility related to or equivalent to licensed hospital; (3) lodging is not lavish; and (4) no element of personal pleasure, recreation or vacation in the travel.	
<b>Lodging of a companion</b>	Yes, if accompanying a patient for medical reasons and all of the conditions described under Lodging not at a hospital are also met.	Yes
<b>Lodging while attending a medical conference</b>	No	
<b>Long term care services</b>	Generally, no.	
<b>Marijuana or other controlled substances</b>	No, even if legal in certain states.	
<b>Massage therapy</b>	No, unless prescribed by a doctor to treat medical condition related to trauma or injury.	Yes
<b>Mastectomy-related bras</b>	No, unless prescribed for mental health treatment.	Yes
<b>Medic-alert bracelet/necklace</b>	Yes, if recommended by a medical practitioner in connection with treating a medical condition.	Yes
<b>Medical conference admission/transportation/meals</b>	Yes	Yes
<b>Medical monitoring and testing devices</b>	Yes, including blood pressure monitors, syringes, glucose kits, etc.	
<b>Medical records charges</b>	Yes, for the cost for transferring or photocopying records.	
<b>Medical services</b>	Yes, if legal medical service is recommended by physician, surgeon, specialist or other medical practitioner.	
<b>Menstrual pain relievers</b>	Yes	
<b>Mentally handicapped, special home for</b>	The cost of keeping a mentally handicapped person in a special home (not a relative's home) on a psychiatrist's recommendation to help that person adjust from life in a mental hospital to community living may apply.	Yes
<b>Missed appointment fee</b>	No	
<b>Motion sickness pills</b>	Yes	
<b>Nasal strips or sprays</b>	Yes, if used to treat sinus problem or sleep apnea.	Yes
<b>Naturopathic healers, dietary</b>	Possibly, non-traditional healing treatments provided	Yes

<b>substitutes and drugs and medicines</b>	by professionals may be eligible if provided to treat a specific medical condition.	
<b>Nicotine gum or patches</b>	Yes	
<b>Norplant insertion or removal</b>	Yes	
<b>Nursing services provided by a nurse or other attendant</b>	Yes, so long as services are of a kind generally performed by a nurse.	Yes
<b>Nursing services for a baby</b>	No, if baby is normal and healthy.	
<b>Nutritionist's professional expenses</b>	Possibly, if treatment relates to a specifically diagnosed medical condition.	Yes
<b>Nutritional supplements</b>	No, if merely beneficial for general good health.	Yes
<b>Obstetrical expenses</b>	Yes	
<b>Occlusal guards to prevent teeth grinding</b>	Yes	
<b>Optometrist</b>	Yes	
<b>Organ donor</b>	Yes, including surgical, hospital and laboratory services as well as transportation expense for donor.	
<b>Orthodontia expenses</b>	Yes, with ortho contract. Effective January 1, 2009, only expenses that have been paid by the participant can be reimbursed in advance. A receipt for the paid expenses and the ortho contract will need to be submitted.	
<b>Over-the-counter medicines</b>	See Drug and Medicines.	Yes
<b>Ovulation monitor</b>	Yes	
<b>Pain relievers</b>	Yes	
<b>Patterning exercises</b>	Yes, for exercises for a mentally handicapped child.	
<b>Physical exams</b>	Yes	
<b>Physical therapy</b>	Yes	
<b>Physician access retainer</b>	No	
<b>Pregnancy test kit</b>	Yes	
<b>Prenatal expenses</b>	Yes, the IRS recently indicated that prenatal expenses paid up front might be reimbursed in the year during which the lump sum amount was contracted, despite the fact that all expenses have not yet been incurred.	
<b>Prenatal vitamins</b>	Yes, if taken due to pregnancy.	Yes
<b>Prescription drugs and medicines obtained from other countries</b>	No	
<b>Prescription drug discount programs</b>	No, a fee paid to get a drug discount card will not qualify; the cost of the prescription may qualify.	
<b>Propecia</b>	No, if for cosmetic purposes (i.e., to treat male pattern baldness); yes, if used to treat medical condition such as alopecia.	Yes
<b>Prosthesis</b>	Yes	
<b>Psychiatric care</b>	Yes, if for medical care.	
<b>Psychoanalysis or psychologist</b>	Yes, if for medical care and not for the general improvement of mental health, to relieve stress or personal enjoyment.	Yes
<b>Radial keratotomy</b>	Yes	
<b>Retin-A</b>	No, unless treating a specific medical condition, such as acne	Yes
<b>Rogaine</b>	No, unless prescribed to treat a specific medical condition.	Yes
<b>Safety glasses</b>	No, unless prescription lenses.	
<b>Schools and education, residential</b>	Possibly, if the school or program is to treat behavioral, emotional and/or addictive conditions and if the primary purpose of the program is medical care.	Yes
<b>Schools and education, special</b>	Possibly, if the main reason for using the school is	Yes

	its resources for relieving the disability of a mentally impaired or physically disabled person. Includes Braille, lip-reading and remedial language training; no, if the main purpose of the school is disciplinary.	
<b>Screening tests</b>	Yes, if used for medical diagnosis.	
<b>Seeing-eye dog</b>	Yes, including veterinary fees.	
<b>Sinus medication</b>	Yes	
<b>Sleep deprivation treatment</b>	Possibly, if person is under care of a medical practitioner.	
<b>Smoking cessation (stop-smoking) programs</b>	Yes, as well as prescription and/or over-the-counter drugs and medicines used to stop smoking.	
<b>Spermicidal foam</b>	Yes	
<b>Sperm, storage fees</b>	Possibly, for temporary storage to the extent necessary for immediate conception.	Yes
<b>St. John's Wort</b>	Yes, if used primarily for medical care (i.e., depression) and not for general good health.	Yes
<b>Sterilization procedures</b>	Yes, if legally performed operation.	
<b>Sunglasses</b>	Yes, if they are prescription lenses.	
<b>Sunscreen with high SPF</b>	Yes, if SPF is generally 30 or higher and used to prevent a sunburn. Would also qualify if used by a person who has or has had skin cancer or another diagnosed skin disease that is affected by sun exposure. Does not include tanning lotions, make-up or moisturizers, etc., that contain a lower dose of SPF. The receipt must show SPF level.	
<b>Suntan lotion/clothing to block sun</b>	No	
<b>Supplies to treat medical condition</b>	Yes, if the medical supply is used to diagnose or treat a specific medical condition and is not a personal comfort item.	
<b>Surrogate expenses</b>	Generally no, even if for medical care of surrogate or unborn child.	
<b>Taxes on medical services and products</b>	Yes, to the extent imposed on reimbursable medical care or products.	
<b>Teeth whitening/bleaching</b>	No	
<b>Telephone equipment for hearing impaired-person</b>	Yes, for expense of buying and repairing special telephone equipment for hearing-impaired person.	Yes
<b>Television equipment for hearing-impaired person</b>	Yes, but reimbursable amount is limited to the cost that exceeds cost of regular item.	Yes
<b>Thermometers</b>	Yes	
<b>Throat lozenges</b>	Yes	
<b>Toothache and teething pain relievers.</b>	Yes	
<b>Toothbrushes or toothpaste</b>	No, even if dentist recommends special ones to treat medical condition.	
<b>Transplants</b>	Yes, for surgical, hospital and labor services and transportation expenses for donors.	
<b>Transportation to and from medical conference</b>	Yes, for admission and transportation expenses to a medical conference relating to the chronic disease of the individual.	Yes
<b>Transportation expenses for person to receive medical care</b>	Yes, if travel is primarily for, and essential to, medical care. Includes parking and tolls. Car mileage is reimbursed at the current rate set by the IRS each year.	
<b>Transportation expenses for someone other than the person receiving medical care</b>	Yes, in some cases for the following: (1) a parent who must go with a child who needs medical care; (2) a nurse or other person who gives injections, medication, or other treatment required by a patient who is traveling to get medical care and is unable to travel alone; and (3) an individual who travels to visit a mentally ill dependent, if such visits are recommended as part of treatment.	Yes
<b>Vasectomy/vasectomy reversal</b>	Yes	

<b>Veneers</b>	Generally no, as they are usually for cosmetic purposes.
<b>Viagra</b>	Yes, if prescribed by a physician to treat a medical condition.
<b>Vitamins</b>	No, if they are used to maintain general good health. Yes
<b>Walkers</b>	Yes, if used to relieve sickness or disability.
<b>Weight-loss programs and/or drugs prescribed to induce weight loss</b>	Yes, if prescribed by a doctor to treat obesity or other medical condition. Yes
<b>Wheelchair</b>	Yes
<b>X-ray fee</b>	Yes, if received for medical reasons.

### Common Day Care Reimbursement Requests

<b>EXPENSE</b>	<b>ELIGIBLE?</b>
<b>Advance payment of day care expense</b>	No
<b>After-school care or extended day programs (supervised activities for children after the regular school program)</b>	Yes, these programs are generally custodial in nature and its primary purpose is care for children while their parents work.
<b>Au pair expenses</b>	Yes, but not airfare or other fixed costs.
<b>Baby-sitter inside or outside of participant's household</b>	Yes, unless baby-sitter is a child of the employee (or spouse) under age 19, or is otherwise claimed as a dependent by the employee or spouse on IRS for 1040.
<b>Chauffeur</b>	No
<b>Child of participant, amounts paid to for child care</b>	No, unless child is age 19 or older and cannot be claimed as a dependent of the participant or participant's spouse.
<b>Cook</b>	Generally no, except where attributable in part to child care.
<b>Dependent care center expense</b>	Yes, provided they meet requirements of Code § 21(b)(2) (C).
<b>Disabled spouse or tax dependent that lives outside of household</b>	No, they must regularly spend at least 8 hours per day in the employee's household.
<b>Educational expenses - first grade and above</b>	No, educational expenses are not considered expenses for care.
<b>Educational expenses - kindergarten</b>	No, expenses are considered educational in nature and not custodial (regardless of half- or full-day, private or public, state mandated or voluntary).
<b>Educational expenses - pre-kindergarten or nursery school</b>	Yes, since care is primarily custodial in nature.
<b>Elder care / assisted living / custodial care / long term care / nursing home</b>	Only if such expenses are not attributable to medical services and the qualifying individual spends at least 8 hours per day in the participant's household.
<b>FICA and FUTA taxes of day care provider</b>	Yes
<b>Food expenses</b>	No, if charged separately from dependent care expense.
<b>Gardener</b>	No
<b>Household services, e.g., housekeeper, maid, cook</b>	Generally no, except where attributable in part to child care.
<b>Incidental expenses - e.g., extra charges for diaper changing, special activities, etc.</b>	No, if charged separately from dependent care expense
<b>Looking for work - dependent care expenses incurred to enable participant to look for work.</b>	Yes
<b>Maid</b>	Generally no, except where attributable in part to child care.
<b>Nanny expenses</b>	Yes, to the extent the expense is attributable to dependent care expenses and expenses of household services attributable in part to care of qualifying individual.
<b>Overnight camp</b>	No
<b>Registration fees for care</b>	No, most fees do not go toward the care of a qualifying individual.
<b>Relative of a participant, expenses paid to for child care (e.g. parent or grandparent of participant)</b>	Yes, unless the relative is a tax dependent of the participant or child under age 19.

<b>Sick-child facility</b>	Yes, if they are incurred to enable participant to go to work when the child is ill.
<b>Sick employee (care for dependent when the participant stays home sick)</b>	No
<b>Summer day-camp</b>	Yes, to the extent attributable to dependent care (should be custodial in nature and not educational).
<b>Transportation expenses</b>	No, if charged separately from dependent care expense.
<b>Volunteer work - expenses incurred to enable participant to volunteer</b>	No, if the volunteer work is unpaid work or for nominal pay.

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