**FSA Participant Alert!**

**Important Medical Flexible Spending Account change as of January 1, 2011**

Under the Patient Protection and Affordable Care Act (also known as Health Care Reform), over-the-counter (OTC) medicines and drugs purchased on or after January 1, 2011 **can be reimbursed only if prescribed by a physician.** Some examples of medicines and drugs which will require a physician’s prescription are: Allergy Medication, Aspirin, Anti-itch, Cold Sore Remedies, Cough Medicine, Digestive Aids, Rash Ointments/Creams, Sleep Aids & Sedatives, Pain Relief and Stomach Relief.

This change does not apply to medical supplies such as insulin even if purchased without a prescription, or other health care expenses such as medical devices, eyeglasses, contact lenses, bandages, co-pays and deductibles. A longer list of eligible and ineligible expenses can be found at: www.crosbybenefits.com/_Documents/Form/19/FSAEligible-ExtensiveList.pdf

To receive reimbursement for over-the-counter medicines and drugs, please submit your reimbursement request along with a physician’s prescription and supporting bills/receipts.

**Frequently Asked Questions**

Q. Will my debit card work to pay for OTC medicines and drugs?  
A. No, you will not be able to use your debit card to purchase OTC medicines or drugs as pharmacies and retailers update their point-of-sale inventory systems.

Q. What if I inadvertently use my debit card to purchase an OTC medicine or drug after January 1, 2011?  
A. Retailers will be converting their systems to prevent purchase of certain OTC items but this may take some time. While retailers update their systems, if you inadvertently purchase an OTC medicine or drug with your debit card, and the retailer allows the transaction, you will not need to submit a doctor’s prescription after-the-fact.

Q. How do I get reimbursed for OTC items if I have a doctor’s prescription?  
A. Submit the prescription along with your request for reimbursement. Documentation must include:  
1. provider/merchant name, 2. date of purchase, 3. product/item name and 4. expense amount. Note: If your receipt shows an Rx number, you will not be required to submit a doctor’s prescription.

Q. If I submit a prescription once, do I need to submit it again if seeking reimbursement for a similar item?  
A. Yes, you will need to submit the prescription every time you submit for reimbursement.

Q. Must I submit a new prescription with each purchase?  For instance, if my prescription is dated in March, and I purchase the product in June, is this OK?  
A. If the prescription has not passed a specified expiration date, then it will be acceptable. However, if the prescription is dated in March and mentions no refills, and you use it for reimbursement of an expense in March, it would be up to you to track this and not use it for a second time.

Q. What is the definition of a “prescription”?  
A. For purposes of the new rule, a prescription is an electronic or written order for a medicine or drug that meets the legal requirements of a prescription in the state in which the medical expense is incurred, and that is issued by an individual authorized to issue a prescription in that state.

Q. If I purchase OTC medicines or drugs in 2010 but wait until 2011 to submit my claim, will the expense qualify for reimbursement without a prescription?  
A. Yes, if you submit a 2010 OTC medicine or drug expense during your plan’s run out period, it will be eligible without a prescription. The new rule applies only to OTC purchases made on or after January 1, 2011.