Dear Participant:

The recently enacted Patient Protection and Affordable Care Act of 2010 has changed the rules for the purchase of over the counter (OTC) products using your Flexible Spending Account (FSA) or Health Reimbursement Arrangement (HRA) pre-tax funds.

Effective January 1, 2011:

1. FSA or HRA funds can **no longer be used to purchase OTC medicine and drugs** unless a medicine or drug is prescribed. A “prescription” means a written or electronic 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 who is legally authorized to issue a prescription in that state.

   - Acid Controllers
   - Baby Rash Ointments/Creams
   - Motion Sickness
   - Allergy & Sinus
   - Cold Sore Remedies
   - Pain Relief
   - Antibiotic Products
   - Cough, Cold & Flu
   - Respiratory Treatments
   - Anti-Diarrheals
   - Digestive Aids
   - Sleep Aids & Sedatives
   - Anti-Gas
   - Feminine Anti-Fungal/Anti-Itch
   - Stomach Remedies
   - Anti-Itch & Insect Bite
   - Hemorrhoidal Preps
   - Anti-Parasitic Treatments
   - Laxatives

   **The following categories of items do not need a prescription to be paid from your FSA and HRA:**

   - Denture adhesives
   - First aid supplies
   - Orthopedic aids
   - Diagnostic tests and monitors
   - Hearing aid batteries
   - Ostomy products
   - Elastic bandages and wraps
   - Infant electrolytes and dehydration
   - Reading glasses
   - Eye care and contact lens
   - Infant teething pain supplies
   - Smoking deterrents
   - Supplies
   - Solutions
   - Syringes
   - Family planning kits
   - Insulin and diabetic supplies
   - Thermometers
   - Fiber laxatives
   - Nebulizers
   - Wheelchairs, walkers and canes

2. You can continue to use your FSA or HRA funds to purchase OTC items that are not considered a medicine or drug (e.g., bandages, splints, contact lens solution, etc.) Please note that **insulin remains an eligible expense** with or without a prescription.

3. Remember to consider these new OTC rules when estimating the dollar amount to put in your FSA or HRA account for the next plan year.

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