



Over-The-Counter (OTC) Drugs FSA Guide

IRS Revenue Ruling 2003-102, released September 3, 2003, permits many OTC drugs to be reimbursed medical expenses in an FSA. Under the ruling, (OTC) drugs purchased without a physician's prescription are reimbursable through a healthcare FSA arrangement as long as the item alleviates illness or injury. Outlined below are examples of Medical-only and Dual-purpose OTC drugs that are reimbursable as well as OTC drugs that are excluded.

Medical-only list

These OTC drugs are deemed to have a solely (or primarily) medical purpose. For FSA Reimbursement, the (itemized) actual name of the product must appear on the merchant- or pharmacy-originated receipt AND itemized on the Benesyst claim form. If the receipt does not include the name please copy the label from the product, circle the correct amount on your receipt. Handwritten names are not acceptable.

- **Analgesics** – migraine preparations, acetaminophen, anti-inflammatory including non-steroidal, salicylates (aspirin), i.e. cold and flu medicines, sinus and allergy relief, pain relievers Examples: Ibuprofen, Tylenol, Excedrin, Sudafed, TheraFlu, Robitussin, Sinutab, Actifed, Tavist D, Vicks 44M, Dayquil, Nyquil
- **Antihistamines** – Examples: Benadryl, Claritin, Contac, Dimetapp, Pediacare, see Analgesic examples above.
- **Gastrointestinal Agents** – antacids, calcium antacids/combinations, magnesium antacids, antacid preparations, antifatulent combinations Examples: Gas-X, Maalox, Mylanta, Tums, Alka-Seltzer, Gaviseon, Pepcid AC, Roloids, Ex-lax, Milk of Magnesia, Prilosec, Zantac, Immodium caplets, Phazyme
- **Antidiarrheals** – Examples: Imodium A-D, Kaopectate, Pepto-Bismol
- **Antiemetics** – for motion sickness Examples: Bonine, Dramamine, Emetrol
- **Antifungal & Combinations** – Examples: Desenex, Lamisil, Lotrimin, Nizoral, Monistat
- **Anorectal Preparations** – Examples: Anusol, Cortizone, Hurrricane topical, Preparation H, Tucks
- **Antiseptic & Combinations** – Examples: Anbesol, Bactine, Hurrricane topical, Betadine, Neosporin, Polysporin, New Skin
- **Anti-itch medications** – Examples: Anusol, Benadryl, Caladryl, Cortizone, Vagisil
- **Burn Preparations** – Examples: see Antiseptic & Combination examples
- **Canker Sore/Cold Sore Preparations** – Examples: Anbesol, Abreva, Gly-Oxide
- **Cold & Cough Preparations**
- **Cough Drops**
- **Constipation Aids**
- **Decongestants & Nasal Strips**
- **Diaper Rash Relief**
- **Ear drops (for pain), ear wax removal**
- **Expectorants**
- **Fever Preparations**
- **First Aid (see Wound Care)**
- **Glucosamine/Chondroitin** for arthritis or an other medical condition
- **Head Lice Relief**
- **Hemorrhoidal Creams & Suppositories**
- **Incontinence Supplies**
- **Lactose intolerance** – Examples: Lactaid Fast Act, Lactaid, Dietary Relief
- **Laxatives (non-fiber and fiber)** – Examples: Benefiber, Konsyl, Metamucil Fibersure
- **Masks (earloop) and/or latex gloves** – Examples: Ansell, Safeskin, Flents, Nexcare
- **Menstrual Cycle Products For Pain And Cramp Relief**
- **Monitoring Devices** – Examples: blood pressure cuff, glucose tester
- **Muscle Pain Or Joint Pain Cream Or Wraps** – Examples: BenGay, Tiger Balm, Vicks VapoRub, Biofreeze, Cold / Hot packs, ThermaCare Heat Wraps
- **Nasal Sinus Sprays**
- **Nasal sprays for snoring** – Examples: Breathe Right Snore Relief, Ayr

Medical-only list (continued)

- **Nausea Medications**
- **Nicotine Gum Or Patches**
- **Orthopedic shoes and inserts** (for orthopedic shoes, reimbursed the excess cost over non-orthopedic shoes)
- **Pedialyte For Child's Dehydration**
- **Prenatal vitamins** – during pregnancy only
- **Psoriasis Medications**
- **Sleep Aids with pain reliever** – Examples: Tylenol PM, Legatrin PM, Excedrin PM
- **Sunburn Cream**
- **Sunscreen** (not sun tanning lotion)
- **Thermometers** (Ear / Mouth/Rectal/Infant)
- **Throat Lozenges & Sprays** – Examples: Halls, Vicks, Sucrets
- **Visine And Other Eye Products** including all contact lens solutions
- **Wart Remover Products**
- **Wrist Support for Carpal Tunnel**
- **Wound Care** – Examples: Bandages, First Aid Creams, Gauze Pads, First Aid Kits, Rubbing Alcohol, Peroxide, Liquid Adhesive for small cuts

Dual-purpose list (Doctor's Note Required)

The following items are deemed by the IRS to be “Dual Purpose”; they have a medical purpose, which would make the item reimbursable, and a personal/cosmetic/general health purpose which would make them NON-reimbursable. If you wish to have FSA reimbursement on any item below, you must include a medical doctor's note specifying the medical diagnosis, medical condition, necessity, treatment, and duration.

- Acne preparations (Proactiv, AcneFree)
- OTC hormone therapy and treatment for menopause to treat symptoms such as hot flashes, night sweats, etc.
- Weight-loss drugs to treat a specific disease including obesity

Excluded items (OTC drugs that are NOT reimbursable, per the IRS)

- Airborne (pills/formula)
- Toiletries, tissue, cosmetics or items (including RX) primarily used for general health & every day living
- Toothpaste or toothbrushes (electric or otherwise), even if a dentist recommends, dental whitening/bleaching systems, floss
- Chapstick, lip balms, etc.
- Mouth washes, oral rinses (that claim to treat bad breath, gingivitis)
- Face/body creams, cleansers, oils, gels, lotions – for all skin types (i.e. itchy dry skin) and suntan lotion
- Scar care: creams, ointment, sheets, solutions
- Shampoos and soaps including medicated
- Vitamins, minerals and amino acids
- Sleep aids without pain reliever
- Supplements (fiber, herbal or combination) for general health, weight loss, protection of disease and normal function of the body
- Feminine products as well as hygiene products, lubricants, cleansers, wipes, sprays, etc.
- Diet food
- Immune system support
- Personal use items i.e. bed coverings/accessories, vacuums, furniture
- Caffeine Pills (stay awake pills)