

Flexible Benefits Plan

Sample Expenses for your
Medical Care Reimbursement Account

PRESCRIPTION DRUGS

Allowable expenses:

- Prescription drugs or insulin
- Birth control drugs (prescribed)
- Vitamins (as prescribed by a physician and not available over the counter)
- Smoke cessation drugs (prescribed)

Expenses specifically disallowed by the IRS or courts:

- Cost of illegal drugs
- Prescription drugs used for cosmetic purposes (e.g., hair loss)

OVER THE COUNTER MEDICINES

Allowable expenses:

- Pain relievers
- Cold and flu medicines
- Allergy relievers
- Heartburn relievers
- Antifungals
- First aid topicals
- Stomach remedies
- Nicotine replacement therapies
- Bandages

NOTE: You must provide a receipt that has the description for the over the counter product you wish to be reimbursed for.

MEDICAL EQUIPMENT

Allowable expenses:

- Wheelchair or autoeette (cost of operating/maintaining)
- Crutches (purchased or rented)
- Special mattress & plywood boards prescribed to alleviate arthritis
- Oxygen equipment and oxygen used to relieve breathing problems that result from a medical condition
- Artificial limbs
- Support hose (if prescribed by physician)
- Wigs (where necessary to mental health of individual who loses hair because of disease)
- Excess cost of orthopedic shoes over cost of ordinary shoes

Expenses specifically disallowed by the IRS or courts:

- Wigs, when not medically necessary for mental health
- Vacuum cleaner purchased by an individual with dust allergy
- Mechanical exercise device not specifically prescribed by physician

DENTAL & ORTHODONTIC CARE

Allowable expenses:

- Dental Care
- Artificial teeth/Dentures

- Cost of fluoridation of home water supply advised by dentist
- Braces, orthodontic devices

Expenses specifically disallowed by the IRS or courts:

- Cosmetic Dental Procedures including bonding, whitening or teeth bleaching
- Toothbrushes, toothpaste

FEES/SERVICES

Allowable expenses:

- Physician's fees
- Obstetrical expenses
- Hospital services
- Nursing services for care of a specific medical ailment
- Cost of a nurse's room & board if paid by the taxpayer where nurse's services qualify
- The Social Security tax paid with respect to wages of a nurse where nurse's services qualify
- Surgical or diagnostic services
- Services of chiropractors and osteopaths
- Anesthesiologist's fees
- Dermatologist's fees
- Gynecologist's fees
- Christian Science practitioner fees
- Childbirth classes taken for the purpose of preparing a woman for her active role in the childbirth process

Expenses specifically disallowed by the IRS or courts:

- Payments to domestic help, companion, babysitter, chauffeur, etc. who primarily render services of a non-medical nature
- Nursemaids or practical nurses who render general care for healthy infants
- Fees for exercise, athletic, or health club membership when there is no specific health reason for needing membership
- Marriage counseling
- Payments related to elective cosmetic surgery

ASSISTANCE FOR THE HANDICAPPED

Allowable expenses:

- Cost of guide for a blind person
- Cost of note-taker for a deaf child in school
- Cost of Braille books and magazines in excess of cost of regular editions
- Seeing eye dog (cost of buying, training, and maintaining)
- Hearing-trained cat or other animal to assist deaf person (cost of buying, training, and maintaining)
- Household visual alert system for deaf person
- Excess costs of specifically equipping automobile for handicapped person over cost of ordinary automobile; device for lifting handicapped person into automobile
- Special devices, such as tape recorder and typewriter, for a blind person

PHYSICALS

Allowable expenses:

- Routine & preventive physicals
- School & work physicals

HEARING EXPENSES

Allowable expenses:

- Hearing aids and warranties
- Batteries for operation of hearing aids

THERAPY TREATMENTS

Allowable expenses:

- X-ray treatments
- Treatment for alcoholism or drug dependency
- Sterilization
- Acupuncture
- Vaccinations
- Hair transplant (if medically necessary)
- Electrolysis (if medically necessary)
- Physical therapy (as a medical treatment)
- Occupational therapy (as a medical treatment)
- Speech therapy
- Fee to use swimming pool for exercises prescribed by physician to alleviate specific medical condition such as rheumatoid arthritis
- Stop smoking programs for general well-being
- Massage Therapy, payable with a prescription or letter of medical necessity from your physician stating condition and number of treatments

Expenses specifically disallowed by the IRS or courts:

- Tattoos and body piercing
- Religious cult de-programming
- Physical treatments unrelated to a specific health problem (e.g., massage for general well-being)
- Any illegal treatment

MENTAL HEALTH CARE

Allowable expenses:

- Services of psychiatrists, psychologists, and clinical social workers
- Psychiatric therapy for sexual problems
- Long distance telephone tolls for psychiatric counseling conducted over the phone
- Legal fees directly related to mental commitment of mentally ill person

Expenses specifically disallowed by the IRS or courts:

- Psychoanalysis undertaken to satisfy curriculum requirements of a student

VISION CARE

Allowable expenses:

- Optometrist's or ophthalmologist's fees
- Eyeglasses
- Insurance for replacement of lost or damaged contact lenses
- Contact lenses
- Solutions used for contact lens maintenance
- Laser Surgery

MISCELLANEOUS CHARGES

Allowable expenses:

- X-rays
- Expenses for services connected with donating an organ
- Cost of computer storage of medical records
- Cost of special diet, but only if taxpayer can show that it is medically necessary and only to the extent that costs exceed that of a normal diet
- Weight Loss Program expense due to obesity or specific disease diagnosed by your physician

Expenses specifically disallowed by the IRS or courts:

- Expenses of divorce when doctor or psychiatrist recommends divorce
- Cost of toiletries, cosmetics, and sundry items (e.g., soap, toothbrushes)
- Cost of special foods taken as a substitute for regular diet, when the special diet is not medically necessary or taxpayer cannot show cost in excess of cost of a normal diet
- Maternity clothes
- Diaper service
- Distilled water purchased to avoid drinking fluoridated city water supply
- Installation of power steering in automobile
- Pajamas purchased to wear in hospital
- Mobile telephone used for personal calls as well as calls to physician
- Insurance premiums (e.g., medical insurance, dental insurance, vision insurance, long-term care insurance, etc.)
- Any portion of a premium charge which represents a tax
- Union dues for sick benefits for members
- Contributions to state disability funds
- The cost of a weight loss program for general well-being
- Prescription drugs, surgical procedures or other medical care for cosmetic purposes
- Vitamins, except when prescribed by a physician for a specific medical condition. A letter of medical necessity from physician must be provided.



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