

Flexible Spending Account (FSA) Covered & Excluded Expenses

Health care expense eligible for reimbursement

Allowable health care expenses must be submitted under medical, vision, dental and/or prescription drug coverage before they can be considered for reimbursement. Only the portion of the qualified expense that is not covered by any other source can be paid under a health care flexible spending account. Qualified expenses include:

Acupuncture	Legal fees (to authorize treatment for mental illness)
Alcoholism and drug treatment	Mental nervous disorders
Ambulance costs	Nursing services
Artificial limbs and teeth	Obesity (call for details)
Birth control pills	Obstetrical expenses
Braille books and magazines (the added cost of having materials created in Braille)	Operations, if medically necessary
Car controls for the handicapped	Organ transplants
Chiropractors and chiropractic care	Orthodontic treatment (call for details – only if payment is being paid directly to orthodontist)
Christian Science practitioners	Orthopedic shoes (cost difference between regular shoes and orthopedic shoes)
Contact lens, solutions, cleaners and replacement coverage	Over-the-counter drugs (to alleviate or treat illness or injuries)
Copays	Oxygen
Crutches	Periodontal fees
Deductibles	Prescription drugs (drugs with Rx #)
Dental fees, exams and cleanings	Psychiatric care
Dental implants, dentures and bridges	Psychoanalysis
Diagnostic tests	Psychologist fees (see exclusions)
Experimental medical treatment	Radial keratotomy
Eye examinations	Smoking cessation programs (includes nicotine gum or patches)
Eyeglasses, prescription sunglasses and reading glasses	Telephone for the deaf
Guide dogs (purchase, training and maintenance)	Television with audio display for the hearing impaired (call for details)
Hearing treatment including devices and batteries	Transportation for medical care
Hospital services	Vaccinations
In vitro fertilization	Walkers
Inpatient therapy	Weight loss treatments and prescriptions (restrictions apply – call for details)
Insulin injections	Wheelchairs
Laboratory fees	X-rays
Lasik (laser) eye surgery	Other items may be allowed by the IRS under Section 213.
Lamaze classes (for mothers only)	
Lead based paint removal	
Learning disabilities – tuition or fees for special schools (call for details)	
Legal abortions	

Following is a partial list of health care expenses that are usually **not** covered under the health care spending account. Contact your Human Resources department or call 877-372-4730, prompt #2 for further details.

- Breast pump
- Cosmetic surgery or procedures
- Dancing lessons (even if recommended by a doctor)
- Diaper services
- Domestic help fees (for non-medical services)
- Electrolysis
- Funeral expenses
- Health insurance premiums
- Homeopathic items
- Household help
- Illegal operations and treatments
- Liposuction
- Marriage counseling
- Maternity clothes
- Medical savings account deposits
- Over-the-counter drugs, products or formulas for general health (vitamins, beauty aids, lotion, toothpaste)
- Personal use items
- Physical or massage therapy for general health
- Solutions for the care and maintenance of eyeglasses
- Supplements prescribed by alternative providers (i.e., Naturopath, acupuncturist)
- Swimming lessons (even if recommended by a doctor)
- Teeth bleaching
- Union dues

Health care expenses: claim filing instructions

1. The total annual election for eligible medical expenses (less any previous reimbursements paid) is available upon request.
2. Refer to the provisions in your Summary Plan Document for the minimum and maximum annual election amounts.
3. To be reimbursed, you must include the patient's name, date of service, name of service provider, description of the expense, and the amount of the claim (net of any amount that has been or is going to be paid by insurance or other sources).
4. IRS Section 125 regulations indicate that an expense is considered incurred at the time the service giving rise to the expense is provided, and not when you are formally billed for, charged for or pay for an expense. The expense must be incurred during the period you and your dependents are covered under this benefit.
5. The documentation necessary to reimburse an Over the Counter (OTC) drug expense will be similar to that requested for all other types of health care FSA expenses. We will require an itemized receipt that includes the name of the provider, the name of the product purchased, the cost of the item, and the date it was purchased, (i.e., Walgreens, 01/10/04: Tylenol – \$6.99, Vicks 44 – \$4.99, etc).

If a cash register receipt from the provider includes all the information listed above, it will be considered acceptable documentation. If the cash register receipt does not include all required information, your claim may not be reimbursed. For example, if your receipt is missing the name of the provider, the date, or just lists OTC and an amount, rather than the actual name of the OTC drug, we will not be able to reimburse the participant for that OTC drug.

Plans may vary on covered items, refer to your Summary Plan Description to view the detail of your benefit design.



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Principal Life Insurance Company, Des Moines, Iowa 50392-0002, www.principal.com