



Over-the-Counter (OTC) Products & The CARES Act USING FSA/ HSA FUNDS TO PURCHASE OTC PRODUCTS

The CARES Act, recently signed into law, has changed the rules for the purchase of Over-the-Counter (OTC) products using your Flexible Spending Account (FSA) and Health Savings Account (HSA).

The IRS now allows OTC medicine and drugs to be reimbursed using your FSA and HSA dollars **without the need for a prescription**. It also includes eligibility for menstrual care products. This change takes place retroactive to January 1, 2020.

What are some examples of eligible OTC medicine and drugs?

Eligible OTC medicine and drugs include items in the following categories:

- Acid controllers
- Allergy & Sinus
- Antibiotic products
- Anti-diarrheals
- Anti-gas
- Anti-itch & insect bite
- Anti-Parasitic treatments
- Baby rash ointments/creams
- Cold sore remedies
- Cough, cold & flu
- Digestive aids
- Feminine anti-fungal/itch
- Hemorrhoidal preps
- Laxatives
- Motion sickness
- Pain relief
- Respiratory treatments
- Sleep aids & sedatives
- Stomach remedies

Can I use my Flex Facts debit card to purchase OTC medicine and drugs?

We expect it will take some time for all vendors and merchants to update their POS systems. In the interim, you can pay out of pocket for OTC medicine or drugs at point of sale and then submit a manual claim requesting reimbursement. We are working closely with vendors and merchants and we are hopeful their POS systems will be updated within the next few weeks.

Can I submit a claim for OTC products I purchased prior to The CARES Act?

Yes, this provision is effective for any qualified purchases made after December 31, 2019.

Can I continue to use my FSA/ HSA funds to purchase OTC items that are not considered medicine or drug?

Yes, you can continue to use your FSA/ HSA funds to purchase eligible OTC items that are not considered a medicine or drug. Examples include:

- Bandages
- Band Aids
- Gauze pads
- Splints
- Contact lens solution
- Reading glasses
- Carpal tunnel wrist supports
- Blood pressure monitors
- First Aid kits

Please note, insulin remains an eligible expense with or without a prescription.

If you have questions regarding this change or need more information, please reach out to us at info@flexfacts.com or call us at 877-943-2287.