

Eligible Health Care Reimbursement Expenses



Important Information: Over-the-Counter Medications

Changes in tax-free, over-the-counter medication reimbursement effective January 1, 2011

The recent passing of the Patient Protection and Affordable Care Act – also known as health care reform – brings with it some changes in the way over the counter (OTC) medications and other nonprescription items will be reimbursed through flexible spending accounts (FSAs), health savings accounts (HSAs) and health reimbursement arrangements (HRAs) if your health care plan benefits allow for OTC reimbursements.

Below are some examples of common expense categories impacted by this change. As of January 1, 2011, these items require a doctor's prescription in order to be considered for reimbursement:

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| • Acid Controllers | • Baby Rash Ointments/Creams | • Motion Sickness |
| • Acne Medications | • Cold Sore Remedies | • Nasal Sprays |
| • Allergy and Sinus | • Cough, Cold and Flu | • Pain Relief |
| • Antibiotic Products | • Digestive Aids | • Respiratory Treatments |
| • Anti-Diarrheals | • Feminine Anti-Fungal/Anti-Itch | • Sleep Aids and Sedatives |
| • Anti-Gas | • Hemorrhoidal Preps | • Stomach Remedies |
| • Anti-Itch and Insect Bite | • Lactose Intolerance Pills | • Toothache Relievers |
| • Anti-Parasitic Treatments | • Laxatives | • Wart Remover Medications |

Items that will continue to be eligible without a prescription include, (but not limited to) insulin, medical devices (crutches, blood sugar monitors, etc.), bandages, contact lens solution, and denture bond.

Debit cards may continue to be used to purchase an OTC medication provided the following parameters are met:

- A prescription is presented to the pharmacist prior to purchasing the item.
- OTC dispensing is in accordance with NYS prescription laws.
- A prescription number is assigned to the OTC medication by the pharmacist at the time of purchase (the debit card system will not process the purchase of an OTC medication without an assigned Rx number).
- Pharmacy must maintain record of the sale, specifically the Rx number, name of product, date and amount.

Reimbursement requests for the purchase of a qualified OTC medication not paid for with a medical expense debit card may be submitted directly to Nova with the appropriate documentation, this includes a completed claim form, purchase receipt and prescription, or a copy of the prescription. Prescriptions with multiple refills only need to be submitted with the initial reimbursement request, subsequent reimbursement requests for the same OTC medication only require a completed claim form and purchase receipt. Nova will maintain prescriptions with multiple refills on file for reimbursement processing until all refills are depleted, or the prescription expires.

At Nova, we are actively involved in understanding the new health care legislation and mandates and are committed to keeping you up to date on how they may affect you and your health care benefits. The information provided in this notice is provided by Nova to help keep our members as well informed as possible. For the latest information on eligible OTC expenses visit:

- www.healthcare.gov – the federal government's health care reform website
- www.irs.gov – the Internal Revenue Service (IRS)