



New Guidelines for Breast Pumps and Lactation Supplies

In February 2011, the IRS concluded that breast pumps and supplies that assist lactation will qualify as medical care expenses under Code Section 213(d) because they are for the purpose of affecting a structure or function of the lactating woman's body.

How does this decision affect my plan?

In the past, your plan may have considered breast pumps an eligible expense only if your healthcare provider recommended it to treat a specific medical condition. They may have even been excluded from coverage, or for reimbursement from your healthcare account.

With the new IRS guideline, breast pumps and supplies that assist lactation will qualify for reimbursement from your Flexible Spending Account (FSA), Health Reimbursement Account (HRA) or Health Savings Account (HSA), regardless of the existence of a medical condition.

Purchasing breast pumps and lactation supplies with a benefits debit card.

- **At a pharmacy location.** The pharmacy merchant must have modified their point of sale system to recognize these expenses as eligible items during the check out process. If that has not yet happened, you must pay out of pocket and submit a manual claim requesting reimbursement.
- **At other merchant locations (e.g., medical equipment supplier).** The benefits debit card will work as long as that merchant falls into one of the healthcare-related categories allowed by the IRS.

Please note: As a result of the recent passing of the Patient Protection and Affordable Care Act, or PPACA, the list of participating discount stores and supermarkets may have changed. Be sure to visit www.sig-is.org for a current list of participating stores.

A reminder about over-the-counter (OTC) medicine and drugs.

As of January 1, 2011, OTC items that contain a medication or drug are no longer eligible for reimbursement through your FSA, HRA or HSA without a doctor's prescription. This requirement will take place based on the date the items are purchased and not based on your plan year. In other words, you must first obtain a prescription for any OTC medications or drugs in order to obtain reimbursement, regardless of when the plan year ends. OTCs that do not contain medications or drugs will not require a prescription.

You may still purchase OTC medications and drugs with your debit card as long as you present your prescription to the pharmacist at the time of purchase. The pharmacist will need to run it through their system as they would any other prescription, assign an Rx number and otherwise meet all IRS guidelines required for debit card usage. If you are unable to use your debit card at a particular pharmacy, you must pay out of pocket at the point of sale and then submit a manual claim requesting reimbursement.

Please visit www.IRS.gov for further details regarding stipulations put in place by the IRS.

If you have questions about this OTC change or need more information, please contact Meritain Health Customer Service at the number located on your ID Card.