



*At Bond*

We take every opportunity to keep you educated on the newest healthcare information available, helping you prepare for changes that impact you. Please read below for regulation changes on over-the-counter drugs:

#### **OVER-THE-COUNTER MEDICATION**

Effective January 1, 2011, over-the-counter medication will no longer be considered an FSA/HSA/HRA medical eligible expense unless prescribed by a physician. The new law does not apply to the cost of insulin, other supply items including crutches and bandages, and diagnostic devices such as blood sugar test kits. These expenditures will still qualify for reimbursement by a health FSA/HSA/HRA without a prescription.

Get prepared and make a personal strategy. Any funds from 2010 that have not been used from an FSA will be lost at the beginning of 2011. Prior to December 31, 2010, you may consider spending down your plan's current balance on over-the-counter items that will no longer be considered eligible expenses.

Plans often provide participants the opportunity to use their funds into the new year. While this process has not been affected, the ability for a participant's funds for over-the-counter medication has. Making certain efforts can better prepare you for these changes. We suggest considerations such as:

- Reviewing your contributions accordingly.
- Talking to your doctor about any over-the-counter medication you are taking.
- When purchasing any over-the-counter medication, make sure to save a copy of your physician's prescription along with your proof-of-payment receipt. This practice will ensure that you have the information necessary to prove the medication was prescribed by a physician and is eligible to be purchased with an FSA/HSA/HRA.

**Contact your Bond Financial Network, Inc. Account Manager with any questions, or visit [www.irs.gov](http://www.irs.gov) for the full version of the law.**

*We'll focus on your benefits,  
you focus on your business.*

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