

# SCHEDULE A

## HEALTHCARE FLEXIBLE SPENDING ACCOUNT

### List of Eligible/Ineligible Expenses

#### Eligible Expenses

Below is a current list of healthcare expenses reimbursable under your Healthcare FSA account. These expenses must be medically necessary and satisfy all other requirements for reimbursement under your employer's Flexible Benefits Plan and applicable federal tax law. This list is intended to be a guide to assist you in determining whether an expense is eligible for reimbursement. This list may be modified from time to time. For specific questions regarding expenses eligible for reimbursement, please contact LGC's FSA Administrator.

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| <ul style="list-style-type: none"> <li><b>Acupuncture</b></li> <li><b>Alcoholism treatment program fees</b></li> <li><b>Ambulance service</b></li> <li><b>Artificial limbs</b></li> <li><b>Birth control pills and devices</b></li> <li><b>Braille books and magazines</b> (above the cost of regular print)</li> <li><b>Breast pumps and supplies</b> that assist lactation</li> <li><b>Breast reconstruction surgery</b> (following mastectomy)</li> <li><b>Capital expenses</b> (for special equipment installed in the home or for improvements if their main purpose is medical care)</li> <li><b>Car modification for equipment installed for the use of a person with a disability</b></li> <li><b>Childbirth classes</b> (mother's costs only)</li> <li><b>Chiropractic care</b></li> <li><b>Christian Science practitioner fees</b></li> <li><b>Co-insurance amounts</b></li> <li><b>Contact lenses</b> (including cleanser and saline solution)</li> <li><b>Co-payments</b></li> <li><b>Cosmetic surgery</b> (only from congenital abnormality, personal injury or disfiguring disease)</li> <li><b>Crutches</b></li> <li><b>Deductibles</b></li> <li><b>Dental expenses</b> (non-cosmetic only)</li> <li><b>Dentures</b></li> <li><b>Diabetic Supplies</b></li> <li><b>Drug addiction treatment at a therapeutic center</b></li> <li><b>Eye Exams</b></li> <li><b>Eyeglasses</b></li> <li><b>Guide dog or other animal</b> used by person with a physical disability</li> <li><b>Hearing aids and batteries</b></li> <li><b>Hospital fees</b></li> <li><b>Infertility treatments</b></li> </ul> | <ul style="list-style-type: none"> <li><b>Insulin</b></li> <li><b>Laboratory fees</b></li> <li><b>LASIK</b></li> <li><b>Learning disability</b> (tuition payments or tutors' fees for child with severe learning disabilities caused by mental or physical impairments, only if doctor recommends child attend the school)</li> <li><b>Lodging and meals</b> (at a hospital or similar institution if main reason for being there is to receive medical care or accompanying a dependent receiving the care)</li> <li><b>Medical equipment, supplies and diagnostic devices</b> (for diagnosis, cure, mitigation, treatment or prevention of disease)</li> <li><b>Medical services provided by physicians, surgeons and specialists</b> (non-cosmetic only)</li> <li><b>Mileage</b> (only for the purpose of receiving medical services)</li> <li><b>Optical Care by Optometrist/Ophthalmologist or Optician</b></li> <li><b>Organ transplants</b></li> <li><b>Orthodontia</b> (except care for cosmetic purposes)</li> <li><b>Orthotic Inserts</b></li> <li><b>Physical exams</b> (except for employment-related physicals)</li> <li><b>Physical Therapy</b></li> <li><b>Prescribed Medicines and drugs</b></li> <li><b>PRK (photo refractive keratectomy)</b></li> <li><b>Prosthesis</b></li> <li><b>Psychiatric care</b></li> <li><b>Psychoanalysis</b></li> <li><b>Psychological treatment</b></li> <li><b>Schools, special</b> (a school that teaches Braille, lip-reading, remedial language training to correct condition cause by birth defect)</li> <li><b>Smoking cessation programs</b></li> </ul> |
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**Local Government Center**

**Special Foods** (prescribed by a physician at costs in excess of commonly available products)

**Sunglasses (Prescription)**

**Teeth guards** (except for sports use)

**Vaccines**

**Vasectomy**

**Wheelchair costs**

**X-rays**

**Ineligible Expenses**

Alternative medicine

Babysitting/child care/day care

Breast augmentation such as implants or injections

Church of Scientology audits

Cord blood storage

Cosmetic surgery

Dancing lessons, swimming lessons, etc. (even if recommended by a doctor)

Dependent care

Ear or body piercing

Electrolysis or hair removal

Employment-related expenses

Exercise/fitness programs or equipment

Finance or missed appointment charges

Funeral expenses

Gender reassignment surgery

Hair transplant

Health club dues

Herbal medicines

Household help (even if recommended by doctor)

Insurance premiums

Lead-based paint removal

Marriage counseling

Massage (unless prescribed and substantiated by physician to treat physical defect or illness)

Maternity clothes

Mattresses/mattress boards

Medical alert devices

Medical savings accounts (MSAs)

Naturopathy

Nutritional supplements (unless prescribed and substantiated by physician to treat physical defect or illness)

Resort/Spa

Sunglasses (non-prescription)

Weight loss program (not for general health even if doctor prescribes the program)

## Eligible Over-the-Counter (OTC) Products

### IMPORTANT NOTE REGARDING OTC ITEMS

The recently enacted Patient Protection and Affordable Care Act of 2010 has changed the rules for the purchase of OTC products using your Flexible Spending Account (FSA) pre-tax funds. Beginning January 1, 2011, OTC drugs and medicines are not eligible for FSA reimbursement unless: the program participant obtains a prescription for the drug or medicine, the prescription meets the legal requirements of a prescription in New Hampshire, and the prescription is issued by an individual who is legally authorized to issue a prescription in New Hampshire. OTC supplies and equipment (e.g. bandages and reading glasses) are not impacted by the legislation and continue to be eligible without a prescription.

Under current IRS rules, your Benny Prepaid Benefits Card may be used for the purchase of OTC drugs and medicines as long as the prescription is filled by a pharmacist and an Rx number is assigned. If your OTC prescription is not filled by a pharmacist, you must pay out of pocket and submit a claim for reimbursement. Any debit card use and reimbursement of qualifying OTC products will be only to the extent permitted by applicable IRS rules in effect at the time the item is purchased. This list may be modified from time to time. It is recommended that participants use caution when including OTC drugs and medicines in their annual FSA elections.

### Ineligible Over-the-Counter Medicines and Drugs (unless prescribed in accordance with state laws)

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| <ul style="list-style-type: none"> <li>▪ Acid controllers</li> <li>▪ Allergy &amp; sinus</li> <li>▪ Antibiotic products</li> <li>▪ Antifungal (foot)</li> <li>▪ Antiseptics &amp; wound cleansers</li> <li>▪ Anti-diarrhea medicines</li> <li>▪ Anti-gas</li> <li>▪ Anti-itch &amp; insect bite</li> <li>▪ Baby rash ointments</li> <li>▪ Baby teething pain</li> <li>▪ Cold sore remedies</li> <li>▪ Contraceptives</li> <li>▪ Cough, cold &amp; flu</li> </ul> | <ul style="list-style-type: none"> <li>▪ Denture pain relief</li> <li>▪ Digestive aids</li> <li>▪ Ear care</li> <li>▪ Eye care</li> <li>▪ Feminine antifungal &amp; anti-itch</li> <li>▪ Fiber laxatives</li> <li>▪ First aid burn remedies</li> <li>▪ Foot care treatment</li> <li>▪ Hemorrhoidal preps</li> <li>▪ Homeopathic remedies</li> <li>▪ Incontinence protection &amp; treatment products</li> <li>▪ Laxatives (non-fiber)</li> </ul> | <ul style="list-style-type: none"> <li>▪ Medicated or unmedicated nasal sprays, drops &amp; inhalers</li> <li>▪ Medicated or unmedicated respiratory treatments &amp; vapor products</li> <li>▪ Motion sickness</li> <li>▪ Oral remedies or treatments</li> <li>▪ Pain relief (includes aspirin)</li> <li>▪ Skin treatments</li> <li>▪ Sleep aids &amp; sedatives</li> <li>▪ Smoking deterrents</li> <li>▪ Stomach remedies</li> </ul> |
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### Eligible Over-the-Counter Items (you can use your benefits card for these items)

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| <ul style="list-style-type: none"> <li>▪ Baby Electrolytes and Dehydration</li> <li>▪ Blood Pressure Monitors</li> <li>▪ Cholesterol Testing</li> <li>▪ Condoms</li> <li>▪ Contacts Lens Care</li> </ul> | <ul style="list-style-type: none"> <li>▪ Diabetes Testing and Aids</li> <li>▪ Family Planning (pregnancy and ovulation kits)</li> <li>▪ First Aid Supplies (bandages, band-aids, hot/cold packs, gauze pads, non-sports tapes)</li> </ul> | <ul style="list-style-type: none"> <li>▪ Hearing Aid Batteries</li> <li>▪ Incontinence Products (e.g. Attends, Depends)</li> <li>▪ Reading Glasses</li> <li>▪ Thermometers</li> </ul> |
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### Ineligible Over-the-Counter Items

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| <ul style="list-style-type: none"> <li>▪ Chapstick</li> <li>▪ Cosmetics</li> <li>▪ Deodorant</li> <li>▪ Face Creams</li> <li>▪ Feminine hygiene products</li> </ul> | <ul style="list-style-type: none"> <li>▪ Hand lotion</li> <li>▪ Moisturizers</li> <li>▪ Mouthwash</li> <li>▪ Suntan lotion (unless &gt;30 spf)</li> <li>▪ Toothpaste</li> </ul> | <ul style="list-style-type: none"> <li>▪ Vitamins &amp; supplements (unless prescribed and substantiated by physician to treat physical defect or illness)</li> <li>▪ Weight loss drugs</li> </ul> |
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**Disclaimer:** The information contained in this document is not a substitute for legal or tax advice. LGC has attempted to provide accurate information but makes no representation or warranties (implied or expressed) as to the accuracy of this material or its compliance with applicable local, state or federal law. For advice, you should consult your legal or tax advisor.