



The Federal Judiciary

Flexible Benefit Program

Eligible Expense Guide for the Flexible Spending
and Commuter Reimbursement Accounts

Welcome to the Eligible Expense Guide

This guide will provide a detailed listing of health care, dependent care and commuter expenses covered by a spending account. It lists general expenses allowed by the Internal Revenue Service (IRS). However, it is not an exhaustive list and if you have a question regarding an expense not listed, please call the **Judiciary Benefits Center** at **1-888-442-FLEX (3539)**.

How to use this guide

1. **Health Care, Dependent Care & Commuter:** This guide is divided into sections - one for each type of spending account as each account is governed by different rules. Each section contains an easy-to-read chart listing common expenses.
2. **Expense Type:** Expenses are displayed alphabetically within their category and examples are listed beneath the expense.
3. **Eligible for Reimbursement:** This guide will state if the expense is generally reimbursable from your FSA. However, there are certain exceptions or requirements for many expenses. It is important that you read the Special Exceptions or Requirements related to the expense.
4. **Special Exceptions or Requirements:** Follow the instructions provided to ensure your particular expense is eligible.
 - All health care FSA claims require a written statement from the participant stating that the expense has not been reimbursed and that the participant will not seek additional reimbursement under any other plan covering health benefits for this same expense.
 - All health care FSA claims require a written statement from an independent third party such as a provider's receipt or bill to substantiate health care FSA claims, indicating that the medical expense has been incurred and indicating the amount of the expense.
 - The "Special Exceptions or Requirements" column provides additional details to ensure your particular expense is eligible and/or whether the expense is only partially reimbursable.
 - An expense type marked as "Potentially Eligible" under the "Eligible for Reimbursement" column may be considered for reimbursement based upon the supporting documentation provided. The item, or an item listed within the expense type, may require a prescription or a letter of

medical necessity (LMN) form to be reviewed for eligibility under your plan. These items also require a statement from the participant certifying that the expense would not have been incurred 'but for' the recommendation of the healthcare provider to treat the diagnosed medical condition.

- Expenses marked as "Partial Reimbursement Only" are only partially eligible, meaning that only the portion of the cost that exceeds the price of a 'regular' item of the same type is allowable for reimbursement. Adequate substantiation for these dual-purpose items must include a qualified medical practitioner's diagnosis of a medical condition and recommendation of the item to treat the diagnosed condition and a statement from the participant that the item would not have been purchased 'but for' the provider's recommendation. If required by the plan, a statement from an independent third party assessing the variation on cost between a regular item and the cost of the enhanced item may also be necessary.

Example: Your doctor recommends a special furnace filter that traps allergens and costs \$12 more than a regular filter. Based on this recommendation, and third party substantiation of the \$12 cost difference, you will only be able to claim the \$12 difference under your health care FSA account.

To obtain reimbursement for an eligible health care, dependent care, or commuter expense, you have three options to submit your claim.

- **Online:** Log in to your account on the Judiciary Benefits Center web site for online claim submission.
- **Fax:** Completed claim form to 1-800-778-0045.
- **Mail:** Completed claim form to:

Judiciary Benefits Center
P.O. Box 35680
Louisville, KY 40232

** Make sure to sign and date the claim form and keep a copy with your supporting documentation for your records if you fax or mail in your form.*

Please note the following:

- You should check The Federal Judiciary's summary plan description or plan document for specifics regarding your FSA plan. The plan document has final authority regarding eligible expenses. If any conflict arises between this guide and the plan document, the terms of the plan document will apply.
- This document is not intended to be legal advice, nor do the determinations for eligibility or ineligibility apply to all plans. The terms of the plan govern any and all decisions regardless of the information contained in this document. Furthermore, no liability, expressed or implied, is assumed by ADP Benefit Services KY, Inc. for reliance upon this eligibility list for tax-exempt determination of specific health care, dependent care or commuter expenses. It is recommended that participants consult their own tax professional.

The Health Care Reimbursement Account

Your Health Care Reimbursement Account (HCRA) allows you to set aside tax-free contributions to pay for eligible medical, dental, and vision expenses that are not covered under your health insurance. The expenses you submit for reimbursement may be for you or any of your covered dependents. You cannot be reimbursed for expenses other than for you or your eligible dependents. Expenses are paid off the date the services are rendered, not the date your payment was made.

Example 1 - The date you see the doctor is the date the services are rendered, not the date that you receive the bill or make a payment to the doctor.

Example 2 - The date the pharmacy fills your prescription is the date the services are rendered, not the date the prescription is picked up.

The HCRA Definition of Dependent

Based on recent changes made by the health care reform legislation, tax-free reimbursement of medical expenses may be permitted for adult children who will not exceed age 26 through the end of the calendar year. Please note that any questions regarding the status of an individual as either a qualifying child, qualifying relative, or an adult child must be discussed with a qualified tax advisor in conjunction with the provisions of your employer's plan.

For the purposes of your HCRA, the IRS defines a dependent as a spouse or other close family member for whom you provide over half of his or her financial support, such as a:

- Child (including natural, adopted, or stepchild),
- Sibling or stepsibling,
- Parent, stepparent, grandparent,
- Parent-in-law (if you file a joint return with your spouse), or an
- Aunt or uncle - but only if you (and your spouse, if you file a joint return) provide over half of his or her support.

A dependent also includes an unrelated person if his or her principal residence for the tax year was your home, if he or she was part of your household, and you (and your spouse, if any) provided more than half of his or her support. The dependent does not necessarily have to be an exemption on your tax return and/or enrolled as a dependent under your health plan.

Health Care Expenses

Eligible health care expenses generally include amounts paid for the diagnosis, care, mitigation, treatment, or prevention of disease or illness and for treatments affecting any part or function of the body. Any expense recommended for the bettering of an individual's general health or well-being is not eligible (example: fitness club or vitamins). Claims are paid from the dates the services are rendered, not the dates the payment for the services are made.

Eligible expenses must be for you, your spouse, children, and any other person who is a qualified dependent as defined by the IRS.

ATTENTION!

Over-the-Counter (OTC) Medicines and Drugs: Over-the-counter (OTC) medicines and drugs now require a prescription to be considered eligible for reimbursement. To be considered for reimbursement, OTC medicine and drug prescriptions must be filled through the pharmacy and submitted with a HCRA claim form with a receipt that includes:

- Name of the purchaser, or for whom the prescription applies
- Date of service
- Amount of the purchase
- RX number

Doctor's Statement/Letter of Medical Necessity (LMN): Certain expenses require a doctor's statement which includes the specific medical disorder, the specific treatment needed, and how this treatment will alleviate the medical condition.

Additionally, some items on the Health Care Expense List (pg. 8) will also require a prescription in order to comply with the recent health care reform changes for OTC medicines and drugs.

Partial Reimbursement: Some expenses are only partially reimbursable. This means only the portion of the cost that exceeds the price of a 'regular' item is allowable for these items. For example, a participant's doctor recommends a special furnace filter that traps allergens and costs \$12 more than a regular filter. The participant can only be reimbursed for the \$12 cost difference.

Orthodontics:

Orthodontic treatment is typically rendered over several months. Generally this treatment is reimbursed using the actual charge and the date the service was performed. Based on a released IRS 'information letter', which outlines a special rule for orthodontia, the plan will allow for reimbursement, up to the elected amount, for pre-paid orthodontia expenses that are paid within the Plan Year regardless of the date of service. If there is coverage under any dental plan, payment from the Health Care Reimbursement Account will be reduced by the amount paid by the dental coverage.

Orthodontic Claim Submission Examples:

In most cases, when an orthodontic agreement is entered, a contract is provided that breaks down the payment procedure while the orthodontic services are being rendered. The contract can be used as documentation for the orthodontic claim submission as services are being rendered.

In some cases, a monthly payment coupon book is also provided. The coupon book reflects the date and amount of the payment due for the monthly installment as the orthodontic services are being rendered.

In either case, whether it is a contract or monthly payment coupon book situation, the monthly payment installment can be claimed each month on or after the date the payment is due.

If a larger payment amount over the monthly payment is made, a paid receipt must be submitted from the orthodontist that includes the following information:

Orthodontist Name, Address, Phone Number, Date of Payment, and Amount of Payment.

Health Care Expense List

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
AA, Alcoholism, Drug or Substance	Yes			Payment to a treatment center for alcohol or substance abuse is an eligible medical expense. This includes meals and lodging provided by the center during inpatient medical treatment. AA (Alcoholic Anonymous) Meeting charges are eligible.
Abortion	Yes			The amount paid for a legal abortion is an eligible medical expense.
Acne Medications/ Treatment	Potentially eligible	Yes	Yes	
Acupuncture	Yes			Acupuncture services are an eligible medical expense.
Adoption Fees	No			Not eligible, however, a participant may submit health care expenses for an adopted child once he/she becomes the participant's qualified dependent, including health care expenses incurred during the adoption process, such as physical examinations.
Air Conditioner, Purifier or Humidifier (for allergy relief)	Potentially Eligible		Yes	Partial reimbursement only - See Allergy Relief. If installing a permanent fixture in a participant's house, this is considered a Capital Modification. See Capital Modification.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
Allergy Medicines: <ul style="list-style-type: none"> • Prescription allergy medicines • Over-the-counter allergy medicines 	Yes	Yes		
Allergy Relief: <ul style="list-style-type: none"> • Electro-static air purifier • Humidifier • Home/auto air conditioners • Air filters • Special vacuum cleaners • Special pillows, mattress covers, etc. to alleviate an allergic condition • Removal of flooring* • Saline eye drops • Saline nasal aspirators or sprays 	Potentially Eligible	*Yes	Yes	<p>Partial Reimbursement Only (for the difference in cost (e.g., a special pillow treated to relieve allergies versus a standard pillow) or a permanent enhancement to the home, or for a Capital Modification).</p> <p>See Air Conditioner or Purifier above.</p> <p>If installing a permanent fixture in a participant's house, this is considered a Capital Modification.*The replacement of flooring is not an eligible expense, only the removal may be eligible; however, final determination will be made based upon the documentation received.</p> <p>Medicines or drugs used in conjunction with allergy equipment, such as a nebulizer will require a prescription. Non-Saline nasal aspirators or sprays, or non-Saline eye drops, used to treat allergy symptoms will also require a prescription.</p>
Allergy Shots	Yes			
Ambulance service	Yes			
Artificial Limb (prosthesis) or Teeth (dentures or implants)	Yes			Dental adhesive is an eligible supply.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
Artificial Insemination: <ul style="list-style-type: none"> • Fertility exams • Embryo replacement and storage • Egg donor: recipient's medical expenses (recipient must be FSA participant or participant's dependent and the charges are covered by a medical plan) • In-vitro fertilization • Sperm bank/semen storage for artificial insemination • Sperm implants due to sterility • Sperm washing • See also 'Fertility Treatments' 	Yes			
Audio Books: <ul style="list-style-type: none"> • Books on tape • Books on CD • Books online or other digital formats 	Yes			Documentation of a visual impairment or other disability which necessitates an audio/electronic version is required. Partial reimbursement only.
Automobile: <ul style="list-style-type: none"> • Installing equipment such as hand controls, lifts or ramps • Special-design vehicles 	Yes			Modification: The cost of installing hand controls and other special equipment installed in an automobile for the use of a disabled person is an eligible medical expense. Special-design vehicle: Partial reimbursement only. Only the difference in cost between a regular vehicle and one

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<ul style="list-style-type: none"> Handicapped stickers and handicapped license plates. 				<p>specifically designed to hold a wheelchair or other medical equipment is an eligible medical expense.</p> <p>Operating cost: The cost of operating a specially equipped vehicle, except as discussed under Transportation, is NOT an eligible expense.</p>
Baby Formula	Potentially eligible		Yes	Baby formula may be eligible if used as a proven treatment for a diagnosed medical condition of the infant, and not a substitute for food normally consumed for nutritional purposes. Partial reimbursement only.
<p>Birth Control / Family Planning:</p> <ul style="list-style-type: none"> Norplant* or Depo-Provera* Ovulation kits Condoms Spermicides*/ lubricating gel (if purchased separately) Birth control pills*, patches* or rings* Diaphragm* or IUD* Tubal ligation Vasectomy <p>The birth control list is not exhaustive.</p>	Potentially Eligible	*Yes		Spermicides, contraceptive or lubricating gels require a prescription if purchased separately.
Blood Storage	Potentially eligible		Yes	Fees for storing blood for surgery in the near future are an eligible medical expense. Fees for storing blood for use in the indefinite future are NOT an eligible expense.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
Body Scan: <ul style="list-style-type: none"> • CT body scanning • Full body scanning • Whole body scanning • DITI scanning 	Eligible			
Botox Treatment	Potentially eligible		Yes	Botox is generally NOT an eligible expense. Botox used to improve a deformity that arises from, or is directly related to, a birth defect, a disfiguring disease or an injury resulting from an accident or trauma is an eligible expense. Botox used for the treatment of migraines is an eligible expense.
Braces and Other Orthodontics	Yes			See page 7 for Orthodontic claim specifics.
Braille Books and Magazines	Yes			Partial reimbursement only.
Breast Pumps	Yes			Fees submitted for lactation consultants are not eligible unless medical treatment is rendered.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<p>Capital Modification (house): A capital modification is an expense incurred for the primary purpose of accommodating a personal residence to a disability of the FSA participant or the participant's dependent:</p> <ul style="list-style-type: none"> • Constructing ramps • Widening doorways • Installing railing or support bars to bathrooms, stairways, etc. • Lowering or modifying kitchen or bathroom cabinets • Altering the location of, or modifying electrical outlets and fixtures • Installing porch lifts and other forms of lifts (generally, this excludes elevators because they may add to the fair market value of a participant's residence) • Modifying fire alarms, smoke detectors and 	<p>Potentially Eligible</p>			<p>This list is not exhaustive.</p> <p>Capital modifications that do not increase the value of the personal residence will generally be reimbursed for the full cost of the expense.</p> <p>Capital modifications that do increase the value of the personal residence will generally be reimbursed for a portion of expense cost. The reimbursement amount is reduced by the increase in the value of the property. The remaining balance is the eligible medical expense. A capital expense worksheet can be found in IRS Publication 502 to determine the amount that may be reimbursable.</p> <p>Only reasonable costs incurred to accommodate a personal residence to the disability are considered to be eligible. Additional costs attributable to personal motivations, such as architectural or aesthetic reasons, are not allowable as medical expenses.</p> <p>An appraisal of the property value before and after installation is required with submission. Only the portion of the expense that exceeds the increase in property value is eligible as a medical expense.</p> <p>Operation and upkeep: If a capital modification qualifies as an eligible medical expense,</p>

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<ul style="list-style-type: none"> other warning systems • Modifying hardware on doors • Grading of ground to provide access to the residence • Isolation of lead paint through wall covering (wallboard or paneling)* • Removal of lead based paint* 				<p>amounts paid for operation and upkeep also qualify as eligible medical expenses as long as the medical reason for the capital modification still exists. This is allowable even if none or only part of the original expense qualified as medical care (e.g., fuel to operate, cost of repairs, cleaning costs, which are in addition to expenses for normal maintenance and upkeep).</p> <p>Improvements to rental property: Amounts paid by a disabled person to buy and install special plumbing fixtures for example, mainly for medical reasons, in a rented house may qualify as eligible medical expenses.</p> <p>Warranties are NOT an eligible medical expense.</p> <p>*Does not include the cost of painting the wallboard as a medical expense.</p>
<p>Childbirth-Related:</p> <ul style="list-style-type: none"> • Childbirth prep classes (Lamaze) • Midwife or doula fees • Maternity girdles (for back pain) or special support hose (for leg circulation) • Home pregnancy tests • Ovulation kits 	Yes			New parent or newborn child care classes are NOT eligible.
Chiropractor fees	Yes			
Christian Science Practitioners	Yes			

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
Church of Scientology	No			
Circumcision	Yes			Fees for “ritual” circumcision performed by a non-health care provider (e.g., a rabbi, mohel) are NOT eligible.
Contact Lenses and contact lens cleaner	Yes	Yes		Prescription contact lenses only. Contact lens cleaner or re-wetting drops are eligible without a prescription.
Cord Storage	Potentially eligible		Yes	Cord storage and collection fees can only be reimbursed if there is a specific medical condition that the cord blood is intended to treat. Fees for storing umbilical cords for use in the indefinite future are NOT an eligible expense.
Cosmetic Surgery and Procedures: <ul style="list-style-type: none"> • Cosmetics (make-up) • Dental veneers, bonding, onlays, tooth whitening or bleaching • Facelifts • Liposuction • Blepharoplasty • Facials, chemical peels • Botox or Collagen injections • Breast implants, lifts • Hair transplants or Electrolysis 	Potentially eligible		Yes	A cosmetic surgery or procedure can be an eligible expense if it is necessary to improve a deformity that arises from, or is directly related to, a birth defect, a disfiguring disease, or an injury resulting from an accident or trauma. Some of these procedures/treatments may be covered under alternative uses (e.g., Botox for treatment of migraines).
• CPR Training	Yes			
Counseling: <ul style="list-style-type: none"> • Psychotherapy and Psychoanalysis 	Yes			Counseling must be performed to alleviate or prevent a physical or mental defect or illness. Eligibility is determined

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<ul style="list-style-type: none"> • Sex therapy • Bereavement and grief counseling • Telephone counseling 				<p>by the nature of the treatment and not the license of the practitioner.</p> <p>Marriage counseling is not an eligible expense unless performed for the purpose of alleviating or preventing a physical or mental defect or illness.</p>
Crutches	Yes			
Dancing Lessons, Swimming Lessons, etc.	Potentially eligible		Yes	The cost of dancing lessons, swimming lessons, etc., even if a doctor recommends them for the general improvement of one's health, is generally NOT an eligible medical expense.
Dental Care and Prevention*: <ul style="list-style-type: none"> • Cleaning • X-rays • Fillings • Extractions • Dentures • Bonding and sealants for dentures • Crowns • Porcelain veneers (if allowed by dental plan, i.e., not cosmetic) • Inlays Sealants (non-denture) 	Yes		*Potentially	*Doctor's statement/LMN is required if the dental procedure is deemed cosmetic.
Dental Treatment - Cosmetic: <ul style="list-style-type: none"> • Teeth whitening or bleaching • Porcelain veneers (if NOT allowed by dental plan) 	Potentially eligible		Yes	Cosmetic surgery or a procedure can be an eligible expense if it is necessary to improve a deformity that arises from, or is directly related to, a birth defect, a disfiguring disease or an injury resulting from an accident or trauma.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
Diabetic Supplies: <ul style="list-style-type: none"> • Sterile cotton balls • Alcohol swabs • Glucose tablets* • Glucometer and test strips • Needles (lancets) • Syringes • Glucagon emergency kit • Ketone urine test strips • Training classes 	Yes	*Yes	**Potentially	Insulin is eligible for reimbursement without a prescription. Diabetic candy is no longer eligible. **Non-sterile cotton balls are not eligible unless required for treatment of a medical condition. A doctor's statement form will be required. *Glucose tabs, alcohol swabs, and medications required to treat skin conditions related to diabetes may require a prescription.
Diaper / Diaper Service	Potentially eligible		Yes	Diapers for a disabled child, other than a newborn, or disabled adult may be eligible, and ONLY if needed to relieve the effects of a particular disease. See also Incontinence Supplies.
Doctor Fees: <ul style="list-style-type: none"> • Anesthesiologist • Chiropodists • Chiropractor • Christian Science Practitioner • Concierge Medicine / Retainer Medicine* • Dentist • Dermatologist • Gynecologist • Naturopath • Neurologist • Obstetrician • Oculist • Oncologist • Ophthalmologist / Optometrist • Optician • Orthopedist 	Yes			Fees include the portion of the expense not paid for by other health insurance (the "out-of-pocket" portion) Late fees, concierge fees, retainer fees, annual fees, finance fees, missed appointments, etc. are NOT eligible medical expenses. *Services provided under a concierge or retainer plan require an itemized doctor's statement.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<ul style="list-style-type: none"> • Osteopath • Otorhinolaryngologist • Pediatrician • Physician • Podiatrist • Psychiatrist • Physiotherapist • A physical without diagnosis or not covered by insurance • Consultations • Transfer of medical records • Any expense a doctor may charge to write a letter describing the medical condition and how a recommended item will treat that condition. This list is not exhaustive. 				
Drugs/Medicines - Prescriptions	Yes	Yes		Prescription drugs must be prescribed by a certified physician and must be purchased legally within the U.S. (See: Health Expenses Incurred Outside of the USA for travel or extraordinary circumstances.)
Drugs/Medicines - Over-the-Counter (OTC)	Potentially Eligible	Yes		See the Flexible Benefit OTC Guide available on the Judiciary Benefits Center web site at http://judiciary.adp.com for additional information.
Drug Addiction Treatment	Yes			

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<p>Exercise Equipment and Programs</p> <p>Exercise videos or DVDs</p>	Potentially Eligible		Yes	<p>The exercise equipment and program must treat a medical condition diagnosed by a healthcare provider (e.g., obesity, diabetes, high blood pressure). Only the cost of the program is eligible.</p> <p>The cost of a weight loss program to improve your general health and appearance is NOT an eligible expense.</p> <p>See Weight Loss Program.</p>
Electrolysis or Hair Removal	Potentially eligible		Yes	<p>Electrolysis or hair removal can be an eligible expense if it is necessary to improve a deformity that arises from, or is directly related to, a birth defect, a disfiguring disease or an injury resulting from an accident or trauma.</p>

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<p>Eye glasses and Eye Care:</p> <ul style="list-style-type: none"> • Eye examinations • Contact lenses, fitting fee, replacement lenses • Contact lens solution • Reading glasses • Prescription glasses, prescription sports goggles, prescription sunglasses, scuba masks or safety glasses • Artificial eye and polish • Contact Lens Insurance Maintenance (fee and agreement) • Clip-on sunglasses • Radial keratotomy, laser surgery or other vision correction surgery* 	Yes		*Yes	<p>Vision insurance premiums and non-prescription sunglasses are not eligible medical expenses.</p> <p>Non-prescription cosmetic contact lenses (change eye color only) and non-prescription sunglasses are NOT eligible.</p> <p>*Surgery is eligible if done primarily to promote the correct function of the eye.</p> <p>*Doctor's statement/LMN may be required to document the condition being treated.</p>
<p>Facilities:</p> <ul style="list-style-type: none"> • Hospital • Nursing Home • Rehabilitation Facility • Home for mentally or Physically Disabled 	Yes			<p>Fees for a facility, such as a hospital or similar institution, are eligible expenses if the main reason for being there is to receive medical care.</p>
<p>Feminine Hygiene:</p> <ul style="list-style-type: none"> • Sanitary napkins (pads & tampons) 	Potentially Eligible		Yes	<p>Sanitary napkins are an eligible expense if used during the recovery from childbirth, surgery or for treatment of other medical condition.</p>

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
Fertility Treatments: <ul style="list-style-type: none"> • Artificial insemination • Fertility exams • Embryo replacement and storage • Egg donor: recipient's medical expenses (recipient must be FSA participant or participant's dependent and the charges are covered by any medical plan) • In-vitro fertilization • Sperm bank/semens storage for artificial insemination • Sperm implants due to sterility • Sperm washing • Reverse vasectomy • Reverse tubal ligation 	Yes			
Fluoride Treatments	Yes	Yes		See the Flexible Benefit OTC Guide available on the Judiciary Benefits Center web site at http://judiciary.adp.com for additional information.
Funeral Expenses	No			
Gender Re-Assignment: <ul style="list-style-type: none"> • Surgery • Counseling 	Potentially Eligible		Yes	Gender reassignment is generally not eligible. Reimbursement will be determined in accordance with your plan's provisions.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
Genetic Testing	Potentially eligible		Yes	Genetic testing performed to detect possible birth defects is an eligible expense. Testing to determine a child's gender is NOT eligible.
Hair Loss Treatment	Potentially Eligible	Yes	Yes	<p>Hair loss treatment is eligible only if required to treat a diagnosed medical condition. Treatment for hair loss which occurs as a normal part of aging or inherited or genetic baldness, or for cosmetic purposes, would not be covered. The only exceptions are: (1) a deformity arising from or directly related to a congenital abnormality; (2) a personal injury resulting from an accident or trauma; or (3) a disfiguring disease.</p> <p>Propecia may also be used to treat benign prostatic hyperplasia.</p> <p>See Wigs or Toupees.</p>
Hair Transplant	Potentially eligible		Yes	Surgical hair transplants can be an eligible expense if it is necessary to improve a deformity that arises from, or is directly related to, a birth defect, a disfiguring disease or an injury resulting from an accident or trauma.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
Health Club Dues	Potentially eligible		Yes	Amounts paid for health club dues or steam baths for a participant's general health or to relieve physical or mental discomfort not related to a particular medical condition are NOT eligible expenses. New health club membership fees paid subsequent to a doctor's recommendation for the treatment of a special medical condition are eligible.
Health Expenses Incurred Outside of the United States	Yes			Expenses must be for the FSA participant or eligible dependent, and must involve medical care which could be legally provided within the U.S. (e.g., obtaining laetrile treatments in Mexico is not an eligible expense because laetrile cannot be legally obtained in the U.S.). Prescription drugs purchased outside of the United States are NOT eligible unless the participant was outside of the United States at the time when the medication was needed.
Health Screenings	Yes			The cost of a public health screening (i.e., VDRL, cholesterol, diabetes glucose, blood pressure, etc.) is an eligible medical expense.
Hearing Exams	Yes			
Hearing Aids: • Purchase price and maintenance cost for hearing	Yes			

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
aid <ul style="list-style-type: none"> • Batteries needed to operate the hearing aid • Television or Telephone adapter for the deaf • Lip reading lessons • Hearing exams 				
Hippotherapy: <ul style="list-style-type: none"> • Therapeutic horseback riding 	Potentially eligible		Yes	Recreational horseback riding is not an eligible expense.
Hormone therapy	Yes			
Hospital Services/Fees: <ul style="list-style-type: none"> • Private room fees • Hospital kits (water pitcher, razor, toothbrush, lotion, etc.) 	Yes			A hygiene kit provided by the hospital for use during the hospital stay is an eligible expense. Fees for items such as telephone, television, newspapers, etc. are NOT eligible expenses.
Household Help: <ul style="list-style-type: none"> • Cleaning services • Cook/chef • Personal assistant • Driver • Gardener 	No			The cost of household help, even if recommended by a participant's doctor, is not eligible as a medical expense. Certain expenses paid to an attendant providing nursing type service may be eligible. See Nursing Services.
Human Chorionic Gonadotropin (HCG) Injections	Potentially Eligible		Yes	HCG injections may be eligible for infertility, but not for general weight loss or steroid enhancement unrelated to a medical condition. May also be permitted to test for tumors.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
Hypnosis	Potentially Eligible		Yes	Hypnosis may qualify if performed by a licensed professional to treat a medical condition (e.g., smoking cessation or weight loss due to a diagnosed medical condition); does not qualify for personal wellbeing, such as general stress relief.
Incontinence Supplies	Potentially Eligible			Diapers used to relieve incontinence or a related medical condition for adults or children generally will qualify as medical care expenses. Regular diapers or diaper services for newborns generally will not qualify. See Diapers or Diaper Services
Insurance Co-Pays	Yes			
Insurance Deductibles	Yes			
Insurance Premiums: <ul style="list-style-type: none"> • Any medical, Dental or vision insurance premium (HMO, DMO, PPO, etc.) • Long-term care Insurance premium • Medicare (parts A, B & D) • Life insurance • Disability Insurance premiums • Warranties • COBRA premiums 	No		<p>Insurance premiums that are paid for projected medical expenses are not eligible expenses, but may be claimed on tax forms. A participant may consult his/her tax advisor for assistance.</p> <p>Student health fees qualify only if the expense is for specific medical services listed separately on a tuition statement. The costs associated simply with belonging to a program do not qualify.</p>	
Laboratory Fees: <ul style="list-style-type: none"> • Blood tests • Cardiographs • Metabolism test • Stool exams • Spinal test 	Yes			

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<ul style="list-style-type: none"> • Urinalysis • X-ray exams • Pap smears • Cholesterol test • Thyroid profile • Storage fees for blood taken for surgery in the near future (not long-term storage) • Laboratory handling fees 				
<p>Lead-based Paint:</p> <ul style="list-style-type: none"> • Removal of paint • Covering of paint 	Potentially Eligible		Yes	<p>If a dependent is diagnosed with lead poisoning due to eating paint, the cost of removing lead-based paint from the surfaces in a participant's home is an eligible medical expense. These surfaces must be in poor repair (peeling or cracking) or within the dependent's reach. The cost of repainting the scraped area is NOT an eligible expense.</p> <p>If, instead of removing the paint, a participant covers the area with wallboard or paneling, he/she would treat these items as a Capital Modification.</p> <p>*Does not include the cost of painting the wallboard as a medical expense.</p>
<p>Legal Fees for Medical Care Authorizing Treatment For Mental Illness</p>	Yes			<p>Legal fees paid to authorize the treatment of a medical condition are eligible. Any fees related to guardianship or estate management are NOT eligible expenses.</p>
<p>Lodging:</p> <ul style="list-style-type: none"> • Hospital • Nursing Home 	Yes			<p>Lodging at a hospital or similar institution is an eligible expense if the primary reason</p>

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<ul style="list-style-type: none"> • Rehabilitation Facility 				for being there is to receive medical care.
Lodging (receiving medical care while away from home): <ul style="list-style-type: none"> • Hotel • Motel 	Yes			<p>The cost of lodging not provided in a hospital or similar institution while away from home* is an eligible medical expense if:</p> <ul style="list-style-type: none"> • the lodging is primarily for and essential to medical care; • medical care is provided by a doctor in a licensed hospital or medical care facility equivalent of a licensed hospital; • the lodging is not lavish or extravagant under the circumstances; and • there is no significant element of personal pleasure, recreation or vacation in the travel away from home. <p>*The amount a participant includes as medical expenses may not exceed \$50 per night per person. Lodging is included for a person for whom transportation expenses are a medical expense because that person is traveling with the person receiving medical care. (e.g., a parent traveling with a sick child is allowed up to \$100.00 per night as a medical expense for lodging). Meals are NOT an eligible medical expense in this instance.</p>
Maintenance	Potentially Eligible		Yes	Air conditioners, central air, heaters, humidifiers, air purifiers, which are home installations for the purpose of relieving an allergy or difficulty in breathing due to a medical condition, are eligible. The maintenance cost for operating the devices, e.g., electricity for

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
				<p>air condition use, is also an eligible medical expense as long as the medical reason for the device continues to exist. Please note, only the increased electric costs required to run the equipment would be eligible. Also, the maintenance cost for a home swimming pool for a person suffering from emphysema can be considered an eligible expense. An appraisal of the property value before and after installation is required with submission. Only the portion of the expense that exceeds the increase in property value is eligible as a medical expense.</p> <ul style="list-style-type: none"> ▪ Air filters for furnace - eligible. ▪ Warranties - not eligible.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<p>Maternity:</p> <ul style="list-style-type: none"> • Childbirth prep classes (Lamaze) • Midwife or doula fees • Maternity girdles (for back pain) or special support hose (for leg circulation) • Home pregnancy tests • Ovulation kits • Doula fees* • Lactation Consultants • Pre-natal vitamins 	Potentially Eligible		*Yes	<p>New parent or newborn child care classes are NOT eligible.</p> <p>*Typically doulas or lactation consultants do not provide medical care. To be considered, a claim must include a statement from an independent third party, such as the patient's OB/GYN, detailing the medical care provided by the doula or lactation consultant.</p> <p>Pre-natal vitamins are eligible without a prescription.</p>
<p>Meals:</p> <ul style="list-style-type: none"> • Hospital • Nursing Home • Rehabilitation Facility 	Yes			Meals at a hospital or similar institution are eligible expenses if the main reason for being there is to receive medical care.
<p>Medical Alert Bracelet or Medical Alert System</p>	Potentially Eligible		Yes	Medical alert bracelets are generally eligible. Medical alert systems will qualify if recommended by a medical practitioner in connection with treatment of a medical condition.
<p>Medical Information</p> <ul style="list-style-type: none"> • Electronic maintenance of medical plan info • Fees to transfer records due to a change in physician 	Yes			Amounts paid to service that keeps medical information in a computer data bank and retrieves and furnishes the information upon request are eligible expenses.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<p>Medical Supplies:</p> <ul style="list-style-type: none"> • Bandages • Thermometers • Heating pad/pack, ice pack • Back braces or supports • Wheelchairs, walkers, canes, crutches • Truss • Diabetic supplies • Orthopedic shoes (partial reimbursement) • Corn-removal treatments or pads* • Blood pressure kit • Glucose kit • Cholesterol testing kit • Inclinator* • Reclining chair* • Massage Chair* • Special mattress (partial reimbursement)* • Physician's scales* • Bed boards* • Educational materials related to a diagnosed illness* 	Potentially Eligible		*Potentially	<p>Expenses paid for medical supplies used to aid a person suffering from physical defect/illness are eligible medical expenses.</p> <p>* Letter of medical necessity required for items marked with an asterisk. These items may also allow Partial Reimbursement only.</p>
Mentally Disabled Person's Special Home	Yes			<p>The cost of keeping a mentally disabled person in a special home, not the home of a relative, on the recommendation of a psychiatrist to help the person adjust from life in a mental hospital to community living, is an eligible medical expense.</p>

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
Nursing Home	Yes			The cost of medical care, including meals and lodging in a nursing home or home for the aged, rest home or sanitarium, if the primary reason for being there is to get medical care, is an eligible medical expense.
Nursing Services: <ul style="list-style-type: none"> • Wages and other fees paid for nursing services • Extra rent or utility expenses for a large residence with extra space (bedroom) for a nurse or private attendant 	Yes			Services do not need to be performed by a nurse as long as the services are of a kind generally performed by a nurse. This includes caring for the patient's dressings, bathing and grooming a patient. Household services and personal care unrelated to medical care and not covered under a participant's medical plan are NOT eligible medical expenses.
Nutritional Supplements	Potentially eligible		Yes	Nutritional supplements may be eligible if used as a proven treatment for a diagnosed medical condition, and not a substitute for food normally consumed for nutritional purposes.
Orthodontics	Yes			See pages 7 for Orthodontic claim specifics.
Over-the-Counter Drugs and Medicines	Yes	Yes		Over-the-counter drugs and medicines (other than insulin), intended for medical use only and not merely to benefit the participant, are an eligible medical expense with a prescription. To be considered for reimbursement, OTC medicine and drug prescriptions must be filled through the pharmacy and submitted with a HCRA claim form with a receipt that includes:

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
				<ol style="list-style-type: none"> 1. Name of the purchaser, or for whom the prescription applies 2. Date of service 3. Amount of the purchase 4. Prescription(Rx)number <p>See the Flexible Benefit OTC Guide available on the Judiciary Benefits Center web site at http://judiciary.adp.com for additional information.</p>
Over-the-Counter Products	Yes		Potentially	<p>Over-the-counter products, intended for medical use only and not merely to benefit the participant, are an eligible medical expense.</p> <p>An itemized receipt showing the name of the product, date purchased and purchase price is required with the claim form.</p> <p>Doctor's statement/LMN may be required for certain items. See the Flexible Benefit OTC Guide available on the Judiciary Benefits Center web site at http://judiciary.adp.com for additional information.</p>
Oxygen tanks and equipment	Yes			
Penile Implants	Potentially Eligible		Yes	A penile implant is an eligible expense only if impotence is due to such organic causes as trauma, post-prostatectomy or diabetes.
Personal Hygiene Products: <ul style="list-style-type: none"> • Toothpaste, toothbrush, mouthwash, floss • Deodorant • Shampoo, conditioner, hair 	Potentially Eligible		Yes	See the Flexible Benefit OTC Guide available on the Judiciary Benefits Center web site at http://judiciary.adp.com for additional information.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
spray • Bath soap, hand soap • Shaving cream				
Prescription Drugs	Yes			Prescription drugs are an eligible expense if prescribed by a doctor and purchased in the United States. Prescription drugs purchased outside of the United States are NOT eligible unless the participant was outside of the United States at the time when the medication was needed.
Prosthesis	Yes			
Psychiatric Care	Yes			Eligible expenses include the cost of supporting a mentally ill dependent at a specially equipped medical center where the dependent receives medical care.
Psychoanalysis	Yes			Payment for psychoanalysis that is part of a person's training to be a psychoanalyst is NOT an eligible medical expense.
Psychologist	Yes			
Radon Mitigation	Yes			Radon testing must have occurred and there must be an established level of radon in order for the testing and mitigation to be an eligible expense. Any structural repairs are subject to the limitation on capital expenditures.
Sales Tax or Shipping & Handling	Yes			Costs for sales or state-mandated taxes and shipping or handling fees associated with an eligible expense; e.g.,

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
				shipping and handling fees for lab work and other specimens, donors, etc.
Service Animals / Guide Dogs for Disabled Persons: <ul style="list-style-type: none"> • Cost of the animal • Care of the animal 	Yes			Eligibility of transportation costs for persons accompanying a service animal for retraining purposes will be based on the circumstances and facts in place at the time the expense is incurred; e.g., if both the person requiring service animal assistance and the service animal need additional training, then transportation expenses may be eligible.
Smoke Detector for Disabled Persons	Yes			Partial reimbursement only. A modified smoke detector (e.g., with lights for the hearing impaired) is eligible, but only the difference in cost between a standard smoke detector and the version with lights.
Special Food	Yes		Yes	Partial reimbursement only and a doctor's statement/LMN is required. Food supplements may be eligible if used as a proven treatment for a diagnosed medical condition, and not a substitute for food normally consumed for nutritional purposes. The participant must show that the item would not have been purchased "but for" the treatment of the condition. If so, then it would be eligible. If the item was purchased simply as a substitute for items normally consumed for general nutrition, then it is not eligible. Only the difference in cost between normal food and special food is eligible for

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
				reimbursement.
Special Education for Disabled Persons: <ul style="list-style-type: none"> • Tuition • Lodging • Meals • Tutoring fees 	Yes		Yes	<p>The cost of a school for a mentally impaired or physically disabled person is an eligible expense if the primary reason is to treat or relieve the disability. (Examples: school for the visually impaired; lip reading to the hearing impaired; or remedial language training to correct a condition caused by a birth defect).</p> <p>Tutoring by a professional who is specially trained and qualified to work with learning disabilities is also an eligible expense.</p> <p>The cost of sending a child with behavior problems to a school where the course of study and the disciplinary methods have a beneficial effect on the child's attitude is NOT an eligible expense.</p> <p>The cost of a boarding school while recuperating from an illness is NOT an eligible expense.</p>
Speech Therapy	Yes			Speech therapy is an eligible expense if rendered to treat a medical condition or is restoratory or rehabilitary in nature.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
Sterilization: • Vasectomy • Tubal ligation	Yes			
Stop-Smoking Program or Tools	Potentially Eligible	Potentially	Potentially	Electronic cigarettes (e-cigarettes) may be eligible if recommended by a doctor as a proven treatment for a diagnosed medical condition. The participant must show that the item would not have been purchased "but for" the treatment of the condition. A doctor's statement form and a prescription (filled by a pharmacy with an Rx #) would be required.
Swimming Pools or Whirlpools	Potentially Eligible		Yes	If a swimming pool or whirlpool is used for the primary purpose of treating a medical condition, a portion of the expense may be eligible. See Capital Modification for more information. Partial reimbursement only and a doctor's statement/LMN is required.
Surgery, Non-Cosmetic	Yes			
Tanning Bed	Potentially Eligible		Yes	Tanning beds are an eligible expense if tanning is used for the treatment of medical condition.
Telephone for Disabled Persons: • Purchase price of special equipment • Repair of special equipment	Yes			Partial reimbursement only. The cost of the telephone is not eligible. All that would be eligible would be special modifications needed for a disabled person (e.g., hearing impaired) to use the telephone.
Television for Disabled Persons: • Purchase price of special	Yes			Partial reimbursement only. The cost of the television is not eligible. All that would be

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
equipment <ul style="list-style-type: none"> • Repair of special equipment 				eligible would be special modifications needed for a disabled person (e.g., vision impaired) to use the television.
Therapy: <ul style="list-style-type: none"> • Physical therapy • Occupational therapy • Speech therapy • Chiropractor fees • Massage therapy* • Hydrotherapy* • Hippotherapy* • Patterning exercises for mentally disabled persons • Radiation therapy • Chemotherapy • Counseling • Telephone Counseling 	Potentially Eligible		*Yes	
Transplants, organ or tissue: <ul style="list-style-type: none"> • Surgical, hospital, laboratory and transportation fees • Cost to transfer medical records in order to find organ donors 	Yes			

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
<p>Transportation for Medical Care:</p> <ul style="list-style-type: none"> • Mileage for personal automobile • Parking fees and tolls • Bus, taxi, train, plane fare • Ambulance service • Transportation for companion if accompanying a patient who is unable to travel alone • Transportation for regular visits to see a mentally ill dependent if visits are recommended as part of the treatment • Transportation to alcohol or drug rehabilitation meetings • Transportation to pharmacy to purchase eligible expenses • Transportation to provider for medical treatment 	Yes			<p>Transportation expenses (personal vehicle, airfare, bus fare, etc.) may be reimbursed when the transportation is primarily for, and essential to, medical care.</p> <p>Transportation expenses for a personal vehicle can be reimbursed by a mileage rate determined by the IRS and subject to change (23 cents per mile effective 01/01/15). Or a participant can be reimbursed by the actual amount spent on gas and oil (does not include expenses for general repair, maintenance, depreciation or insurance).</p> <p>The following information must be included with the request for mileage reimbursement:</p> <ul style="list-style-type: none"> • Amount of miles • Date of transportation • Name of provider, such as doctor or pharmacy name <p>The following are NOT eligible transportation expenses:</p> <ul style="list-style-type: none"> • Transportation to and from work, even if the condition requires an unusual means of transportation. • Travel to another city if the primary purpose for the travel is not related to medical care, such as a vacation or trip to visit relatives.
Tuition Fees	Potentially Eligible		Yes	Tuition fees paid to a private school as a personal preference over public schooling for general education are NOT eligible medical expenses.

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
				<p>Fees for medical care that are included in the tuition fee are eligible if the fees are separately stated on tuition statement.</p> <p>Student health fees qualify only if the expense is for specific medical services listed separately on the tuition statement. The costs associated simply with belonging to a program do not qualify.</p>
Umbilical Cord Storage	Potentially Eligible		Yes	<p>Cord storage and collection fees can only be reimbursed if there is a specific medical condition that the cord blood is intended to treat.</p> <p>Fees for storing umbilical cords for use in the indefinite future are NOT an eligible expense.</p>
Vacations	No			<p>A vacation taken for a change in environment, improvement of morale or general improvement of health - even if made on the advice of a doctor - is NOT an eligible medical expense.</p>
Varicose vein treatment (Sclerotherapy)	Yes			
Vitamins and Dietary Supplements*	Potentially Eligible	*Potentially	Yes	<p>*Vitamins or other supplements prescribed by a doctor for the treatment of a specific medical condition are eligible.</p>
Water Bed	Potentially Eligible		Yes	<p>Expenses for a water bed used in the aid of a special ailment and not for general well-being are eligible medical expenses.</p>
Water Fluoridation Units and Water Pik	Potentially Eligible		Yes	<p>Items prescribed by a doctor for the treatment of a specific</p>

Expense Type	Eligible for Reimbursement	Prescription Required	Letter of Medical Necessity (LMN) Required	Special Exceptions or Requirements
				medical condition are eligible.
Weight Loss Program	Potentially Eligible		Yes	The weight loss program must treat a medical condition diagnosed by a health care provider. (Examples: obesity, diabetes, high blood pressure) Only program fees are eligible. The cost of a weight loss program to improve a participant's general health and appearance is NOT an eligible expense. The cost of food is NOT an eligible expense.
Wheelchair: • Purchase price of wheelchair • Operating cost of wheelchair	Yes			
Wigs or Toupees	Potentially Eligible		Yes	Wigs or toupees are eligible expenses if recommended by a physician for the mental health of a person who has lost his/her hair due to disease.
X-Ray Fees	Yes			

Dependent Care Expenses

Your Dependent Care Reimbursement Account (DCRA) allows you to set aside tax-free contributions to pay for eligible dependent care expenses. The expenses you submit for reimbursement may only be for your qualifying dependents. You cannot be reimbursed for expenses other than for your qualifying dependents.

Most work-related expenses incurred for the care of a qualified person will be eligible for reimbursement through a dependent care FSA. Expenses must be for the well-being and protection of a qualifying dependent while the participant and their spouse, if married, work or look for employment.

Definition of ‘work-related’

The following employment rules apply to dependent care FSAs:

- You must be employed full-time or part-time, or actively looking for work
- If married, both you and your spouse must work unless your spouse is looking for work, is a full-time student, or is disabled

NOTE: Unpaid volunteer or volunteer work for a nominal salary does not qualify as employment.

Full-time Student Definition: You are a full-time student if you are enrolled and attend a school for the number of hours or classes that the school considers full-time. You must have been a student for some part of each of five calendar months during the year, but the months do not have to be consecutive. The term “school” does not include on-the-job training courses, correspondence schools, or Internet courses/schools.

Children of Divorced or Separated Parents: A child can be the qualifying individual of only one parent in one year. Dependent care expenses for the custodial parent may be employment-related expenses if the child:

- Receives over one-half of his/her support from one or both parents
- Is in the custody of one or both parents for more than one-half of the calendar year

Who Qualifies To Receive Dependent Care?

In general, the following rules apply to a qualifying person:

- The individual must be your qualifying dependent (child or relative) as defined by the IRS.
- If the individual is your child, he or she must be **under the age of 13** unless physically or mentally unable to care for him- or herself.
- If the individual is your spouse, he or she must be physically or mentally unable to care for him- or herself.

Individuals who are not able to dress, clean, or feed themselves, or who require constant attention to prevent injury to themselves or others because of physical or mental problems, are considered unable to care for themselves. Please note: Simply being unable to work, perform normal household functions, or care for minor children does not mean an individual is incapable of caring for him- or herself.

Who Qualifies to Provide Dependent Care?

Dependent care can be provided by:

- Any individual **not** claimed as a tax dependent by you or your spouse.
- Your child who is at least 19 years of age by the end of the plan year.
- A child, adult or elder care center. If the center serves seven or more children or adults, the center must comply with all applicable state and local regulations.
- The care provider must have a Social Security Number, Employer Identification Number (EIN), Individual Taxpayer Identification Number (ITIN) or a Taxpayer Identification Number (TIN).

Reimbursement Limitations

The IRS limits the annual amount of dependent care FSA reimbursement. Your total reimbursements cannot exceed:

- \$5,000 per year if single or married and filing joint tax returns;
- \$2,500 per year if married and filing separate returns; or
- The amount of your or your or spouse's annual salary if earning less than \$5,000 (single taxpayers or married taxpayers filing joint tax returns) or \$2,500 (for married taxpayers filing separate tax returns).
- If your spouse also participates in a dependent care FSA through his or her employer, the \$5,000 limit is the total amount of tax-free reimbursements that the couple can receive in any year from all employer-sponsored plans.
- The \$5,000 limit is not affected by the number of qualified persons an individual can claim as a dependent.

Dependent Care Expense List

In May 2006, the IRS provided clarifying information on the following topics below:

- Au Pair agency fees - See "Care Provided by a Foreign National,"
- Indirect Expenses - See "Dependent Care Centers,"
- Part-time employees - See "Dependent Care Centers,"
- Short, temporary absences from work - See "Payment for Care While Parent is Out Sick" and "Payment for Care While Parent Is on Vacation,"

Dependent Care Expense	Eligible for Reimbursement	Special Exceptions or Requirements
Activity Fees from Care Provider <ul style="list-style-type: none"> • Field trips • Dancing or swimming lessons • Art supplies • Entertainment • Clothing 	No	Fees paid to a dependent care center for special activities are NOT eligible expenses, unless these fees are incidental to, and cannot be separated from, the cost of caring for a dependent.
After-School Programs	Yes	
Application Fees, Agency Fees, Deposits	Yes	Expenses that relate to, but are not directly for, the care of a qualifying individual, such as application fees, agency fees (e.g., for Au Pairs), and deposits, may be for the care of a qualifying individual and may be employment-related expenses if the taxpayer is required to pay the expenses to obtain the related care. The expense is incurred when the participant is provided with the care that gives rise to the expenses, and not when the participant is formally billed or pays for the care. Note: Forfeited deposits and other payments for the care of a qualifying individual are not eligible if the care is not provided.
Before-School Programs	Yes	
Care Provided at a Provider's Home	Yes	
Care Provided by a Foreign National: <ul style="list-style-type: none"> • Au pair 	Yes	Foreign nationals are eligible day care providers only if they can demonstrate they may lawfully work in the United States and have a Social Security Number, Employer Identification Number (EIN) or an Individual Taxpayer Identification Number (ITIN). If a participant has to pay an agency fee in order to obtain the services of an au pair, the fee may be reimbursed after the au pair has started caring for the participant's eligible dependents. A forfeited fee is not eligible for reimbursement.
Care Provided by a Relative	Yes	The following are NOT eligible expenses: <ul style="list-style-type: none"> • Payments made to a dependent for whom a participant or his/her spouse claim as an tax exemption • Payments made to a participant's child who was under the age of 19 at the end of the year
Care Provided in Your Home	Yes	

Dependent Care Expense	Eligible for Reimbursement	Special Exceptions or Requirements
Payment for Care While Parent Is Out Sick	Potentially eligible	<p>A taxpayer who is gainfully employed and who pays for dependent care expenses on a weekly, monthly, or annual basis is not required to allocate expenses during short, temporary absences from work, such as minor illness.</p> <p>Fees paid to a babysitter or housekeeper who is paid daily or fees paid while a parent recuperates from an extended illness or surgery are NOT eligible expenses, regardless of doctor's advice.</p> <p>Whether an absence is a short, temporary absence is determined based on all the facts and circumstances. The Judiciary Benefits Center typically establishes two (2) weeks as the cutoff.</p>
Payment for Care While Parent is on Vacation	Potentially eligible	<p>A taxpayer who is gainfully employed and who pays for dependent care expenses on a weekly, monthly, or annual basis is not required to allocate expenses during short, temporary absences from work, such as vacation.</p> <p>Whether an absence is a short, temporary absence is determined based on all the facts and circumstances. The Judiciary Benefits Center typically establishes two (2) weeks as the cutoff.</p>
Incidental Expenses from Care Provider <ul style="list-style-type: none"> • Diapers • Meals • Clothing • Educational services (below the level of Kindergarten) • Activities 	Potentially eligible	<p>These expenses must be included as part of the total bill and cannot be separated.</p> <p>Additional fees charged for these expenses are NOT eligible expenses.</p>
Day Camps	Yes	Day camps can include theme-based camps, such as soccer camp or computer camp and may be an employment-related expense if incurred for the care of a qualifying individual which enables the employee to be gainfully employed.
Dependent Care Centers <ul style="list-style-type: none"> • Child day care • Adult or elder care Facility 	Yes	<p>If the center serves seven or more children or adults, the center must comply with all applicable state and local regulations.</p> <p>Indirect expenses (for example, application fees and deposits) may be employment-related expenses if a participant has to pay these amounts in order to obtain care for a participant's eligible dependent. If the amounts that a participant pays are forfeited or if care is not provided, then the expenses are not eligible.</p>

Dependent Care Expense	Eligible for Reimbursement	Special Exceptions or Requirements
		For part-time employees, dependent care expenses must be allocated between days worked and days not worked unless he/she is required to pay the care provider on a weekly or longer basis.
FICA/Social Security Taxes	Yes	The taxes a participant pays on wages for qualifying child and dependent care services are eligible expenses. For more information on a household employer's responsibilities, please consult with a qualified tax advisor.
Household Services	Potentially eligible	<p>Expenses for household services may be employment-related if the services are provided in connection with the care of a qualifying individual. Services of a housekeeper are household services if part of those services is provided to the qualifying individual.</p> <p>Household services needed for the care and protection of a qualifying individual while a participant works are also eligible. The services of a housekeeper, maid, or cook are usually considered necessary if performed for the care of the qualifying dependent.</p> <p>Household services do not include expenses for a qualifying dependent's food, clothing, education or entertainment.</p> <p>If part of a housekeeper expense is related to the care of a participant's dependent while he/she is working, but part is for other purposes, only the part of the expense that is care-related is eligible. However, a participant does not have to make any adjustment if the non care-related part of the expense is minimal.</p> <p>Examples:</p> <ol style="list-style-type: none"> 1. A housekeeper cares for a participant's child but also spends 30 minutes driving a participant to and from work. No adjustment is necessary because 30 minutes of driving is minimal compared to the rest of the time spent caring for a participant's child. 2. A participant pays a person to provide bookkeeping services in the morning for his/her spouse's home-based business and then to provide household and dependent care services in the afternoon. Only the portion of the salary paid for household services is eligible, not the portion paid for bookkeeping.

Dependent Care Expense	Eligible for Reimbursement	Special Exceptions or Requirements
Lodging Provided for a Care Provider, Including Utilities	Yes	Additional rent and utilities incurred for a participant's housekeeper's lodging are eligible expenses if the household services are needed for the well-being and protection of a qualifying individual while a participant works.
Meals for the Care Provider	Yes	If a participant's care provider eats in the participant's home, the participant should add to his/her work-related expenses, the part of total food cost that was for the housekeeper.
Nursery Schools	Yes	Nursery school fees, including pre-Kindergarten, are eligible expenses even if educational services are provided.
Overnight Camp	No	A pro-rated portion for the 'daytime' care provided by an overnight camp is NOT an eligible expense.
Overnight Care	Potentially eligible	Overnight dependent care is eligible if a participant is required to travel overnight for work-related reasons, and his/her spouse, if married, is unable to be home with the child.
Chauffer or Gardener	No	
Transportation	Potentially eligible	<p>Transportation furnished by a dependent care provider to/from the site where care is provided may be considered eligible. However, transportation provided by anyone other than the care provider is not eligible. Also, if you pay the transportation cost for the care provider to come to your home, that expense is not considered eligible for care of a qualifying person.</p> <p>For example: If the care provider picks up a qualifying child at school and takes them to the dependent care center, the transportation cost may be considered an eligible employment-related expense.</p> <p>Expenses you incur for transportation in your own personal vehicle are not eligible expenses.</p>
Tuition for Kindergarten or Higher	No	<p>Tuition fees for kindergarten or higher are NOT eligible expenses. If dependent care is provided as part of the tuition (for example, for before and after school care), only the cost of caring for the child is eligible.</p> <p>A separation must be made between the fees for child care and educational services.</p>

Commuter Expenses

With a Commuter Spending Account (CSA), you use pre-tax dollars to pay for public transportation and parking expenses that you incur getting to and from work. Only parking and mass transit costs incurred by you in connection with travel between your residence and your workplace are eligible.

Examples of eligible expenses include:

- Mass transit fares, including tickets, passes, tokens, vouchers or other fares for riding buses, trains, para-transit vans or other mass transportation vehicles;
- Official vanpool fees;
- Parking fees at or near your work place; or
- Parking fees at a location from which you commute to your work place via mass transportation or a carpool (ex: park-and-ride lot).

Following are examples of expenses not eligible for the Commuter Spending Account program:

- Highway or other roadway tolls
- Traffic tickets
- Fuel
- Mileage or other costs you incur in operating a vehicle
- Taxis
- Payments to a fellow participant in a carpool or to a friend who drives you to work
- Parking at your personal residence
- Parking at your spouse's place of work
- Parking at a mall or a similar location where you stop on your drive to or from your place of work
- Costs that have been or will be paid by your employer, such as for a business trip