



Fort Bend County Podcasts

Podcast Episode 28- Flexible Spending Part 3

December 12, 2024

Gina- Welcome to this week's Benefit Detective podcast. I'm Gina.

Wendy- And I'm Wendy. And this is the last part to our flexible spending podcast. So, let's go.

Gina- So I know that we do have, employees that ask us all the time. They have vitamins and stuff like that that they need, and they take on a daily basis. And they ask, do I have to have a prescription for vitamins from my doctor in order to use my FSA?

Gerardo- That's another good question, that we get a lot and a lot of pushbacks on as well. So, this is an IRS rule. Unfortunately, like we indicated earlier, a lot of the FSA let me say it this way. A lot of the reimbursement type plans are IRS governed. So, unfortunately, they do dictate how, what, why you can use your funds, unfortunately. IRS does not identify over the counter vitamins or supplements as a required medical care item. You have to have some form or some type of medical care that that item need would need to treat. And so, in order for that to be identified, you would need to have, an additional documentation. The formal IRS rule states that you would need to have a letter of medical necessity that identifies a medical condition or medical diagnosis and a written prescription for each item. We kind of eliminated the prescription and rolled all of that into 1, which we ask for a letter of medical necessity signed by a doctor that indicates a medical condition or medical diagnosis, but that also identifies each of the items that will be, needed to treat the, specified, medical condition. So, unfortunately, a letter of medical necessity would be required for, for the item to be eligible flex eligible. The letter of medical necessity does not determine whether you can use your flex card to purchase because, again, IRS has not deemed those items as eligible, so most merchants have not coded those items in their inventory system to where the flex card can be used. And any other over the counter item, I need to add as well because merchants are not required to, code all of their items as flex eligible to allow all your flex card. So that's another, you know, another question that we get a lot is why can't I use my card at the store to purchase, you know, eligible over the counter items? That's the reason, a lot of stores do, but they're not, they're not required to. And so, it does cost them extra to go through that, process. And if they don't, then, unfortunately, you your card won't be able to be used. So, at that point, you would have to pay out of pocket and submit for reimbursement. But we're going to request and require a letter of medical necessity for those items that that are not eligible per IRS rules.

Gina- Gotcha. Okay.

Wendy- So what information is needed to get reimbursement from the dependent care plan?



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Gerardo- With any claim submission, whether it's dependent care or FSA, we would need a claim form submitted. You can bypass the claim form if you file the claim through the portal or through the mobile app, but the required documentation is going to be an itemized receipt from the provider that has rendered services. It must include the specific to DCA, it needs to include the dates of services, or you can say the dates of attendance that services were rendered, the services that were rendered, and the amount that is owed to the provider or to the merchant. For dependent care, there you can bypass that. You can do a dependent care claim form. On the dependent claim form, there is a section, called affidavit section. I believe it's section d, if I'm not mistaken. Your provider can complete that and sign it as an affirming the services and, basically, if you have an itemized receipt, they can do the affidavit. And as long as the claim form is signed by the employee, then it becomes a legal document, and we can accept it that way.

Gina- Awesome. Alright. Well, that is really great information. Thank you, Gerardo, and thank you, Rachel, for joining us. We appreciate you guys.

Gerardo- Thank you, and you're welcome. Thank you for having us. It was it's this has been a pleasure and a great experience, at least for me. So, we're available for anybody. If you need any additional information, you can always contact us via email, or our 800 number, and we can get you additional information, to answer any question that maybe wasn't answered or asked here. But, yeah, we appreciate it. Thank you so much.

Wendy- So if you need to contact the flex department, you can reach them by email, flex@boonchapman.com or by phone at 1-800-252- 9653 option 6.

Gina- That's right. And that wraps up this week's benefit detective podcast. I'm Gina.

Wendy- And I'm Wendy. And remember to listen next Thursday for our podcast.

Gina- And remember, the benefit detectives are here to help.