

Changes to Your FSA and HRA Debit Card

On Jan. 15, 2011, changes regarding the use of the debit card for your healthcare flexible spending account (FSA) or health reimbursement arrangement (HRA) occurred due to the Patient Protection and Affordable Care Act. FSA and HRA debit cards can no longer be used to purchase over-the-counter medicines or drugs, and a member can be reimbursed for expenses for medicine or drugs that occurred after Dec. 31, 2010, only if the member has a prescription or is purchasing insulin.

Congress passed other changes, which also took effect on Jan. 15, 2011, that affect use of your FSA and HRA debit card, including the following:

- FSA and HRA debit cards can only be used to purchase over-the-counter medicines or drugs at drug stores, pharmacies, non-healthcare merchants, or by mail order or web-based vendors. They can also be purchased at “90-percent” pharmacies, which are defined as those with at least 90 percent of their income coming from eligible healthcare expenses. (Most drug stores qualify as a 90 percent pharmacy.)

- FSA and HRA debit cards can only be used at one of the facilities listed if:
 1. The medicine or drug is given to a pharmacist, is dispensed by a pharmacist and a prescription number is assigned. (The debit card system will not accept a charge for an over-the-counter medicine or drug unless a prescription number is assigned.)
 2. The pharmacy or other vendor keeps a record of the prescription number, name of the person for whom the prescription is for, and the date and amount of purchase.
 3. All of these records are available to the employer upon request.



For further information, please talk to your HR department. For all other FSA or HRA information, visit: www.coresource.com/flexaccounts.htm or www.coresource.com/452.htm.

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