

ADMINISTRATION OFFICE  
**4<sup>th</sup> DISTRICT IBEW HEALTH FUND**  
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**GUIDELINES FOR THE USE OF HRA FUNDS TO PURCHASE  
OVER-THE -COUNTER PRODUCTS AFTER JANUARY 1, 2011**

Dear Participant:

The Patient Protection and Affordable Care Act of 2010 has changed the rules for the purchase of over-the-counter (OTC) products using your Health Reimbursement Arrangement (HRA)/ Benny™ Card.

The IRS currently allows OTC medicine and drugs to be purchased using your Benny™ Card to access your HRA dollars. However, **as of January 1, 2011:**

1. HRA funds can **no longer be used to purchase OTC medicine and drugs** unless a medicine or drug is prescribed. A “prescription” means a written or electronic order for a medicine or drug that meets the legal requirements of a prescription in the state in which the medical expense is incurred and that is issued by an individual who is legally authorized to issue a prescription in that state.

The OTC items affected include items in the following categories:

- Acid controllers
- Allergy & Sinus
- Antibiotic products
- Anti-diarrheals
- Anti-gas
- Anti-itch & insect bite
- Antiparasitic treatments
- Baby rash ointments/creams
- Cold sore remedies
- Cough, cold & flu
- Digestive aids
- Feminine anti-fungal/itch
- Hemorrhoidal preps
- Laxatives
- Motion sickness
- Pain relief
- Respiratory treatments
- Sleep aids & sedatives
- Stomach remedies

2. If you have a prescription for an OTC medicine or drug, you must pay out of pocket at the point of sale and then submit a manual claim requesting reimbursement. **You cannot use your Benny™ Card for this purchase.** (NOTE: Some retail merchants may remove OTC drugs and medicines from their list of eligible items prior to the January 1 effective date, in which case these items will not be approved on the prepaid benefits card at those merchants.)
3. You can continue to use your Benny™ Card to purchase OTC items that are not considered a medicine or drug (e.g. bandages, splints, contact lens solution, etc.) **So, your Benny™ Card can continue to be used for these purchases.**

(Please note that **insulin remains an eligible expense** with or without a prescription.)

If you have questions about this OTC change or need more information, please contact American Benefit Corporation. The phone number is listed on the back of your Benny™ Card.