

# Revolutionary changes.

Effective March 2020, **Congress has officially passed the CARES Act**, which means two revolutionary changes for those with a health care spending account:



## Over-the-counter (OTC) medications are now FSA-eligible.

OTC medicines like Tylenol®, Zyrtec® and more will now be available for purchase with an FSA without a prescription.

### Did you know?

You may even be able to be reimbursed for your 2020 OTC medicine purchases! Check with your benefits administrator.



## Menstrual care products are now FSA-eligible.

Menstrual care products, such as tampons and pads, are now considered qualified health expenses with your FSA.

### Did you know?

Women spend \$60 or more out of pocket each year just on menstrual care products. (Source: [Fusion](#))

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## So, what's next?



We are working hard to bring these new products on-site as fast as possible to assist your participants. [Learn more at FSAstore.com.](#)

### Where it all started.

Since 2011, two notable product exceptions remained that were a source of major confusion for account holders: OTC medicines like Tylenol®, Zyrtec® and more required a prescription from a doctor, while menstrual care products like tampons and pads were notably absent from full eligibility.

### Playing by the rules.

Unfortunately, we don't make the rules, we just enforce them. The Internal Revenue Service (IRS) ultimately holds control over which products and services fall under the definition of "medical care" (IRS Tax Code 213(d)), but legislation can also change what is constituted as eligible. According to [IRS Tax Code 213\(d\)](#), the term 'medical care' means "amounts paid for the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body." One could make an argument that menstrual care products could fall under these guidelines, but historically the IRS treated them as "general health" items, and therefore not medically necessary.

In 2011, The Patient Protection and Affordable Care Act (PPACA) instituted the biggest change in product eligibility since these accounts were created: requiring prescriptions for reimbursement of OTC medicines.

### What changed?

In response to the devastating and ongoing coronavirus (COVID-19) pandemic, Congress has officially passed the CARES Act, providing economic relief for millions of Americans. This legislation included two important provisions that are vital for FSA users: the repeal of the requirement to obtain prescriptions for OTC medicines, and making menstrual care products eligible for the first time. The full text of the bill can be found [here](#).

### Sources:

<https://fusion.tv/story/581545/how-much-your-period-costs/>  
<https://www.irs.gov/pub/irs-pdf/p502.pdf>  
<https://www.congress.gov/bill/116th-congress/senate-bill/3548/text>

## Be the first to know.

If you would like to provide your participants with updates about when these products become available, please contact your Account Manager directly.

