



# Limited Scope Health Flexible Spending Account (LSFSA)

## Eligible Expenses

A Limited-Scope Health Flexible Spending Account (LSFSA) is available for employees who are not eligible for their employer's group sponsored health plan and are not enrolled in any employer's group sponsored health plan. It is similar to a traditional General Purpose Health FSA, allowing you to set aside pre-tax dollars to use toward reimbursable healthcare expenses, except it is limited to dental and vision expenses. Your annual LSFSA contribution will be available on the first day of your Plan Year and LSFSA contributions will be deducted from your pay check in equal amounts throughout the year to fund the account.

- An LSFSA only allows you to pay for eligible out-of-pocket dental, and vision expenses.
- And an LSFSA is usually for people who are not eligible and not enrolled in an employer's group sponsored medical plan.
- The purchase of excessive quantities of a generally eligible expenses for future use may not be reimbursable.

All expenses must be incurred for "healthcare", and not cosmetic or general health purposes. To be considered an eligible expense, any items listed as "Potentially eligible" will require a Letter of Medical Necessity or prescription from your healthcare provider. The letter or prescription must include the item prescribed, condition being treated, and duration of treatment. For your convenience, a Letter of Medical Necessity form is available at [PacificSource.com/psa](http://PacificSource.com/psa) under MyFlex then Forms and Materials.

The following expenses are commonly requested for reimbursement from LSFSA's. This list is not comprehensive and is subject to change. In order for any expense to be eligible under your LSFSA, supporting documentation is required. Documentation must include:

- the date the service was incurred (not necessarily equal to the date of payment),
- a brief description of the service or product,
- the amount paid for the service, and
- the patient responsibility (the amount you owed the provider or merchant) for the service or product after the insurance has paid (if insurance was billed).

On the next page is a list of eligible and potentially eligible expenses with an LSFSA.

Expense Type	Eligibility	Comments and Special Rules (if applicable)
<b>Artificial teeth</b>	Eligible	
<b>Contact lenses, materials, and equipment</b>	Eligible	Materials and equipment needed for using lenses (saline solution and enzyme cleaner) qualify if the lenses are needed for medical purposes. Contact lenses for cosmetic purposes (for example, to change one's eye color) do not qualify. Contact lens insurance does not qualify.
<b>Crowns, dental</b>	Potentially Eligible	Will not qualify if they are obtained for cosmetic reasons
<b>Dental sealants</b>	Eligible	
<b>Dental treatment</b>	Eligible	
<b>Dentures and denture adhesives</b>	Eligible	
<b>Eye drops</b>	Potentially Eligible	Requires Letter of Medical Necessity or prescription from your healthcare provider if incurred after December 31, 2010.
<b>Eye exams, eyeglasses, and equipment</b>	Eligible	Materials and equipment needed for using and cleaning the eyeglasses, and reading glasses purchased over the counter are also eligible.
<b>Fluoride rinses</b>	Potentially Eligible	Requires Letter of Medical Necessity or prescription from your healthcare provider if incurred after December 31, 2010.
<b>Laser eye surgery; Lasik</b>	Eligible	
<b>Medical Expenses</b>	Ineligible	Medical expenses, including deductibles, co-insurance, copays, and prescription drugs are ineligible.
<b>Occlusal guards to prevent teeth grinding</b>	Eligible	
<b>Preventive care screenings</b>	Ineligible	Preventive care screenings such as tests used for medical diagnosis are ineligible. Examples of ineligible expenses include hearing, and vision screenings.
<b>Reading glasses</b>	Eligible	
<b>Sunglasses</b>	Potentially Eligible	Prescription sunglasses qualify
<b>Teeth whitening</b>	Potentially Eligible	Won't qualify if tooth discoloration is simply the result of aging and the whitening is done for cosmetic purposes. But if tooth discoloration was caused by disease, birth defect, or injury, expenses for teeth whitening might qualify. To show that the expense is primarily for medical care, a Letter of Medical Necessity is required.
<b>Toothache and teething pain relievers</b>	Potentially Eligible	Requires Letter of Medical Necessity or prescription from your healthcare provider if incurred after December 31, 2010.
<b>Vision correction procedures</b>	Eligible	

# FSA — Limited-Scope Health Flexible Spending Account (LSFSA)

## Frequently Asked Questions

### **When will I have access to my entire LSFSA election?**

Reimbursement will start once the plan year is established. Per IRS regulations, you have access to your total annual election at this time.

### **What is the turnaround time for processing and reimbursing an LSFSA reimbursement request?**

Reimbursement takes about one week from the date we receive your claim, as long as the plan year has been established.

### **How soon must I submit claims?**

You have until 90 days after the end of the plan year to submit requests for reimbursement. If your Plan offers the grace period, the plan year is extended by an additional 45 days, after which the 90-day period begins.

### **How do I submit a claim?**

Complete and sign a Request for Reimbursement from FSA or HRA form or login to MyFlex and submit a claim along with your documentation.