



**BlueCross BlueShield
of Alabama**

Preferred Blue
Accounts
More Choices for Consumers

ORTHODONTIA

Orthodontic treatment is typically rendered over an extended period of time; therefore, pre-paid orthodontia expenses are eligible for reimbursement at the time they are paid from a health FSA. This means that orthodontic expenses do not need to have been incurred to be eligible for reimbursement, but the patient must be actively receiving orthodontic treatment during the plan year.

The IRS has provided informal guidance relating specifically to orthodontic treatment and the reimbursement of eligible expenses. In the informal IRS opinion orthodontic expenses may be reimbursed when payment has been made, even if the complete service has not been rendered. This position only applies to orthodontic treatment and is an exception to the general rule pertaining to health FSAs.

If there is orthodontic coverage under any dental plan, reimbursements from the Health FSA will be reduced by the amount paid by the other dental coverage.

Please see the information below that explains how orthodontia expenses can be claimed under your health FSA. When filing your request from reimbursement for orthodontic treatment you need to [complete the request for reimbursement form](#) and attach documentation that includes the total cost of the treatment plan, banding date, amount paid by insurance and estimated treatment cost.

Initial Evaluation Fees

Orthodontia services initially performed, such as moldings, diagnostic records, fees, consultation fees, etc., are eligible for reimbursable when the services are incurred if they are separate from the contracted treatment plan. Initial evaluation fees are typically not included in the total treatment cost for orthodontia.

Initial Fee/Down Payment

Many times providers will require an initial fee or down payment before the start of orthodontia treatment. This expense is eligible for reimbursement from your health FSA.

Monthly Payments

The monthly payments for orthodontic treatment are eligible for reimbursement from your health FSA. You will need to provide a paid receipt indicating the amount paid and the payment date

Full Payment for Orthodontic Treatment

Orthodontic payments made in full are reimbursable from your health FSA.