



**United States
Department of
Agriculture**

Food and
Nutrition
Service

Northeast Region

10 Causeway St.
Room 501
Boston, MA 02222

August 22, 2003

Food Stamp Program Regional Letter: 03-35

Subject: Medical Expense Deduction – Postage for Prescription Drugs

It has recently come to our attention that some providers of mail-order prescription drugs bill separately for the postage and handling costs associated with shipping the medication. Because the current regulations do not specifically address the treatment of such costs, a State agency has asked us whether the postage billed by mail-order pharmacies should be considered an allowable prescription cost for purposes of the excess medical deduction.

We have reviewed the issue and have determined that postage for prescription drugs should be considered an allowable medical expense for Food Stamp Program purposes. We feel that the postage for mail-order prescription drugs is an incidental expense similar to transportation and lodging to obtain medical treatment or services, the cost of which is currently considered a deductible expense under 7 CFR 273.9(d)(3)(ix). We have determined that the cost of the postage for mail-order prescription medication is part of the cost of the prescription medication and is thus a deductible expense under 7 CFR 273.9(d)(3)(iii). We also feel that obtaining prescription drugs through mail order, which relieves the affected individuals of the burden of visiting a retail pharmacy, is in the best interest of the elderly or disabled household members for whom the excess medical shelter deduction is intended, since such persons frequently experience transportation or mobility problems. While we believe that it is likely that most State agencies have reached the same conclusion, we are transmitting this letter to ensure uniform application of national policy.

If you have any questions concerning this policy, please contact Katie Blanchette at (617) 565-6415.

Sincerely,

Robert Deegan, Acting Chief
State Program Improvement
Food Stamp Program