

## **HSA Eligible Medical Expenses**

An eligible expense is defined as those expenses paid for care as described in **Section 213 (d)** of the Internal Revenue Code. Below are two lists which may help determine whether an expense is eligible.

These lists are to serve as a quick reference and are provided to you with the understanding that **OFM Benefits Consulting, LLC** is not engaged in rendering tax advice. For more detailed information, please refer to **IRS Publication 502** titled, "Medical and Dental Expenses," Catalog Number 15002Q. Publications can be ordered directly from the IRS by calling 1-800-TAX FORM. If tax advice is required, you should seek the services of a competent professional.

<b>Tax Deductible Medical Expenses</b>		
<b>Check with your agent or policy to determine which apply to your insurance deductible</b>		
<ul style="list-style-type: none"> <li>• Abdominal supports</li> <li>• Acupuncture</li> <li>• Air Conditioner (when necessary for relief from difficulty in breathing)</li> <li>• Alcoholism treatment</li> <li>• Ambulance</li> <li>• Anesthetist</li> <li>• Arch Supports</li> <li>• Artificial limbs</li> <li>• Autoette (when used for relief of sickness/disability)</li> <li>• Birth Control Pills (by prescription)</li> <li>• Blood tests</li> <li>• Blood transfusions</li> <li>• Braces</li> <li>• Cardiographs</li> <li>• Chiropractor</li> <li>• Christian Science Practitioner</li> <li>• Contact Lenses</li> <li>• Contraceptive Devices (by prescription)</li> <li>• Convalescent home (for medical treatment only)</li> <li>• Crutches</li> <li>• Dental Treatment</li> <li>• Dental X-rays</li> <li>• Dentures</li> <li>• Dermatologist</li> <li>• Diagnostic fees</li> <li>• Diathermy</li> <li>• Drug Addiction therapy</li> <li>• Drugs (prescriptions)</li> </ul>	<ul style="list-style-type: none"> <li>• Elastic hosiery (prescription)</li> <li>• Eyeglasses</li> <li>• Fees paid to health institute prescribed by a doctor</li> <li>• FICA and FUTA tax paid for medical care services</li> <li>• Fluoridation unit</li> <li>• Guide dog</li> <li>• Gum treatment</li> <li>• Gynecologist</li> <li>• Healing services</li> <li>• Hearing aids and batteries</li> <li>• Hospital bills</li> <li>• Hydrotherapy</li> <li>• Insulin treatment</li> <li>• Lab tests</li> <li>• Lead paint removal</li> <li>• Legal fees</li> <li>• Lodging *away from home for outpatient care)</li> <li>• Metabolism tests</li> <li>• Neurologist</li> <li>• Nursing (including board and meals)</li> <li>• Obstetrician</li> <li>• Operating room costs</li> <li>• Ophthalmologist</li> <li>• Optician</li> <li>• Optometrist</li> <li>• Oral surgery</li> <li>• Organ transplant (including donor's expense)</li> <li>• Orthopedic shoes</li> <li>• Orthopedist</li> <li>• Osteopath</li> </ul>	<ul style="list-style-type: none"> <li>• Oxygen and oxygen equipment</li> <li>• Pediatrician</li> <li>• Physician</li> <li>• Physiotherapist</li> <li>• Podiatrist</li> <li>• Postnatal treatments</li> <li>• Practical nurse for medical services</li> <li>• Prenatal care</li> <li>• Prescription medicines</li> <li>• Psychiatrist</li> <li>• Psychoanalyst</li> <li>• Psychologist</li> <li>• Psychotherapy</li> <li>• Radium Therapy</li> <li>• Registered nurse</li> <li>• Special school costs for the handicapped</li> <li>• Spinal fluid test</li> <li>• Splints</li> <li>• Sterilization</li> <li>• Stop-smoking programs</li> <li>• Surgeon</li> <li>• Telephone or TV equipment to assist the hard of hearing</li> <li>• Therapy equipment</li> <li>• Transportation expenses (relative to health care)</li> <li>• Ultra-violet ray treatment</li> <li>• Vaccines</li> <li>• Vasectomy</li> <li>• Vitamins (if prescribed)</li> <li>• Weight loss programs</li> <li>• Wheelchair</li> <li>• X-rays</li> </ul>

<b>Eligible Over-the-Counter Drugs</b>		
<ul style="list-style-type: none"> <li>• Antacids</li> <li>• Allergy Medications</li> <li>• Pain relievers</li> <li>• Cold medicine</li> <li>• Anti-diarrhea medicine</li> <li>• Cough drops and throat lozenges</li> </ul>	<ul style="list-style-type: none"> <li>• Sinus Medications and Nasal sprays</li> <li>• Nicotine medications</li> <li>• Pedialyte</li> <li>• First aid creams</li> <li>• Calamine Lotion</li> </ul>	<ul style="list-style-type: none"> <li>• Wart removal medication</li> <li>• Antibiotic ointments</li> <li>• Suppositories and creams for hemorrhoids</li> <li>• Sleep aids</li> <li>• Motion sickness pills</li> </ul>

### **Non-Deductible Medical Expenses**

- Advancement payment for services to be rendered next year
- Athletic Club membership
- Automobile insurance premium allocable to medical coverage
- Boarding school fees
- Bottled Water
- Commuting expenses of a disabled person
- Cosmetic surgery and procedures
- Cosmetics, hygiene products and similar items
- Funeral, cremation, or burial expenses
- Health programs offered by resort hotels, health clubs, and gyms
- Illegal operations and treatments
- Illegally procured drugs
- Non-prescription medications
- Premiums for life insurance, income protection, disability, loss of limbs, sight or similar benefits
- Scientology counseling
- Social activities
- Special foods and beverages
- Specially designed car for the handicapped other than an autoette or special equipment
- Swimming pool
- Travel for general health improvement
- Tuition and travel expenses for a problem child to a particular school
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### **Ineligible Over-the-Counter Drugs**

- Toiletries (including toothpaste)
- Acne treatments
- Lip balm (including Chapstick or Carmex)
- Cosmetics (including face cream and moisturizers)
- Suntan lotion
- Medicated shampoos and soaps
- Vitamins (daily)
- Fiber supplements
- Dietary supplements
- Weight loss drugs for general well being
- Herbs

**Health insurance may not be purchased with HSA funds. There are three (3) situations which are exceptions whereby HSA funds can be used to pay for:**

1. A health plan during any period of continuation coverage required under any federal law.
2. A qualified long-term care insurance contract
3. A health plan during a period in which the individual is receiving unemployment compensation under any Federal or State law.