

## Eligible Medical Expenses

An eligible expense is defined as an expense for certain healthcare services, equipment and medications 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 not comprehensive, are meant to serve as a quick reference, and are provided to you with the understanding that **HSA Bank**<sup>®</sup> is not engaged in rendering tax advice. The information provided is not to be used, and cannot be used, to avoid federal tax penalties. 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 qualified tax professional.

### Eligible Medical Expenses (for HSA Distributions)

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| <ul style="list-style-type: none"> <li>• Abdominal supports</li> <li>• Abortion</li> <li>• Acupuncture</li> <li>• Air conditioner (<i>when necessary for relief from difficulty in breathing</i>)</li> <li>• Alcoholism treatment</li> <li>• Ambulance</li> <li>• Anesthetist</li> <li>• Arch supports</li> <li>• Artificial limbs</li> <li>• Autoette (<i>when used for relief of sickness/disability</i>)</li> <li>• Birth Control Pills (<i>by prescription</i>)</li> <li>• Blood tests</li> <li>• Blood transfusions</li> <li>• Braces</li> <li>• Cardiographs</li> <li>• Chiropractor</li> <li>• Childbirth/Delivery</li> <li>• Christian Science Practitioner</li> <li>• Contact Lenses</li> <li>• Contraceptive devices (<i>by prescription</i>)</li> <li>• Convalescent home (<i>for medical treatment only</i>)</li> <li>• Crutches</li> <li>• Dental Treatment</li> <li>• Dental X-rays</li> <li>• Dentures</li> </ul> | <ul style="list-style-type: none"> <li>• Dermatologist</li> <li>• Diagnostic fees</li> <li>• Drug addiction therapy</li> <li>• Drugs (<i>prescription</i>)</li> <li>• Elastic hosiery (<i>prescription</i>)</li> <li>• Eyeglasses</li> <li>• Fees paid to health institute prescribed by a doctor</li> <li>• FICA and FUTA tax paid for medical care service</li> <li>• Fluoridation unit</li> <li>• Guide dog</li> <li>• Gum treatment</li> <li>• Gynecologist</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 (<i>away from home for outpatient care</i>)</li> <li>• Metabolism tests</li> <li>• Neurologist</li> <li>• Nursing (<i>including board and meals</i>)</li> <li>• Obstetrician</li> <li>• Operating room costs</li> <li>• Ophthalmologist</li> <li>• Optician</li> <li>• Optometrist</li> </ul> | <ul style="list-style-type: none"> <li>• Oral surgery</li> <li>• Organ transplant (<i>including donor's expenses</i>)</li> <li>• Orthopedic shoes</li> <li>• Orthopedist</li> <li>• Osteopath</li> <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>• Surgeon</li> <li>• Telephone or TV equipment to assist the hard-of-hearing</li> <li>• Therapy equipment</li> </ul> | <ul style="list-style-type: none"> <li>• Transportation expenses (<i>relative to health care</i>)</li> <li>• Ultra-violet ray treatment</li> <li>• Vaccines</li> <li>• Vasectomy</li> <li>• Vitamins (<i>if prescribed</i>)</li> <li>• Wheelchair</li> <li>• X-rays</li> </ul> |
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#### Over-the-Counter Drugs

- Antacids
- Allergy medications
- Pain relievers
- Cold medicine
- Anti-diarrhea medicine
- Cough drops and throat lozenges
- Sinus medications and nasal sprays
- Nicotine medications and nasa sprays
- Pedialyte
- First aid creams
- Calamine lotion
- Stop-smoking programs
- Wart removal medication
- Antibiotic ointments
- Suppositories and creams for hemorrhoids
- Sleep Aids
- Motion sickness pills

### Ineligible Medical Expenses

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| <ul style="list-style-type: none"> <li>• Advancement payment for services to be rendered next year</li> <li>• Athletic Club membership</li> <li>• Automobile insurance premium allocable to medical coverage</li> <li>• Boarding school fees</li> <li>• Bottled Water</li> <li>• Commuting expenses of a disabled person</li> <li>• Cosmetic surgery and procedures</li> <li>• Cosmetics, hygiene products and similar items</li> </ul> | <ul style="list-style-type: none"> <li>• Funeral, cremation, or burial expenses</li> <li>• Health programs offered by resort hotels, health clubs, and gyms</li> <li>• Illegal operations and treatments</li> <li>• Illegally procured drugs</li> <li>• Maternity clothes</li> <li>• Non-prescription medication</li> <li>• Premiums for life insurance, income protection, disability, loss of limbs, sight or similar benefits</li> <li>• Scientology counseling</li> </ul> | <ul style="list-style-type: none"> <li>• Social activities</li> <li>• Special foods and beverages</li> <li>• Specially designed car for the handicapped other than an autoette or special equipment</li> <li>• Swimming pool</li> <li>• Travel for general health improvement</li> <li>• Tuition and travel expenses a problem child to a particular school</li> <li>• Weight loss programs</li> </ul> | <h4>Over-the-Counter Drugs</h4> <ul style="list-style-type: none"> <li>• Toiletries (including toothpaste)</li> <li>• Acne treatments</li> <li>• Lip balm (including ChapStick or Carmex)</li> <li>• Suntan lotion</li> <li>• Medicated shampoos and soaps</li> <li>• Vitamins (daily)</li> <li>• Fiber supplements</li> <li>• Dietary supplements</li> <li>• Weight loss drugs for general well being</li> <li>• Herbs</li> </ul> |
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**Health insurance may not be purchased with HSA Funds.** However, HSA funds can be used to pay for:

- 1) Health plan premiums during any period of continuation coverage required under any Federal law (COBRA)
- 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.
- 4) For individuals over age 65, premiums for Medicare Part A or B, a Medicare HMO and/or the employee share of premiums for employer-sponsored health insurance, including premiums for employer-sponsored retiree health insurance.