

# HSA Qualified Medical Expenses

## What Expenses Qualify for tax-free distributions from an HSA?

Examples (but not limited to):

- Abortion
- Acupuncture
- Alcoholism treatment
- Ambulance
- Anesthetist
- Artificial limbs
- Birth control pills
- Blood tests
- Blood transfusions
- Braces
- Cardiographs
- Chiropractor
- Contact Lenses
- Contraceptive devices
- Convalescent home
- Crutches
- Dental treatment
- Dental x-rays
- Dentures
- Dermatologist
- Diagnostic fees
- Diathermy
- Drug addiction therapy
- Eyeglasses
- Guide dog
- Gum treatment
- Gynecologist
- Hearing aids/batteries
- Hospital bills
- Hydrotherapy
- Insulin treatment
- Lab tests
- Lead paint removal
- Lodging / Transportation costs (relative to health care)
- Premiums for COBRA and LTC
- Premiums for Medicare Part A, Part B, Part D
- Neurologist
- Nursing Services
- Obstetrician
- Operating room costs
- Ophthalmologist
- Optician
- Optometrist
- Oral surgery
- Organ transplant
- Orthopedic shoes
- Orthopedist
- Osteopath
- Oxygen/oxygen equipment
- Pediatrician
- Physician
- Physiotherapist
- Podiatrist
- Postnatal treatments
- Prenatal care
- Prescription medicines
- Psychiatrist
- Psychoanalyst
- Psychologist
- Psychotherapy
- Radium therapy
- Registered nurse
- Sterilization
- Surgeon
- Therapy equipment
- Vaccines
- Vasectomy
- Wheelchair
- X-rays

### **HSA Qualifying Expenses**

When a Health Savings Account (HSA) distribution is used to pay for "qualified medical care expenses" of the account beneficiary, his or her spouse, or dependent children, the distribution is not included in gross income.

### **Defining Qualified Expenses**

The IRS describes "Qualifying Medical Care Expenses" at (<http://www.irs.gov/pub/irs-pdf/p502.pdf>)

Such medical expenses are qualified only to the extent they are not covered by insurance or otherwise. In addition, "qualified medical care expenses" must be incurred after the HSA has been established.

### **Not All Expenses Qualify**

Reimbursement is not permitted for all expenses. Examples of unqualified expenses are provided below:

- Domestic Partner expenses
- Cosmetic Surgery
- Funeral Services
- Health Club Dues
- Life Insurance Premiums
- Babysitting/Childcare
- Teeth Bleaching
- Over-the-counter drugs (those without a prescription; effective January 1, 2011)

For more information, including limits and exclusions to the items listed above, see IRS Publication 502: Medical and Dental Expenses (Section 213(d)) or consult your tax advisor.

