

Eligible Expenses

Example of Eligible Expenses

Below is a list of HSA qualified medical expenses. This list will help you determine whether an expense is eligible or not. This list is to be used as a quick reference, and does not include all eligible expenses. For more details, please refer to IRS Publication 502 or contact your personal tax advisor.

Acupuncture	Flu shots	Prosthesis
Alcohol and drug rehabilitation	Guide dog	Prescription drugs
Ambulance	Gynecologist	Psychiatric care
Anesthetist	Hearing aids and batteries	Screening tests
Artificial limbs and teeth	Hospital Services	Smoking cessation program
Birth control pills	Immunizations	Sterilization procedures
Body scan	Insulin	Supplies to treat medical conditions
Chiropractor	Laboratory fee	Transplants
Circumcision	Laser eye surgery	Transportation expenses for person to receive medical care
Co-insurance amounts	Medical examinations	Viagra
Deductibles	Medical monitoring and testing devices	Wheelchair
Dental Care	Obstetrical expenses	X-ray fees
Diabetic supplies	Orthodontia expenses	
Eye exams, eyeglasses, contact lenses, contact lense solutions and enzyme	Physical exams	
	Physical therapy	

Over the Counter Expenses

Over-the-counter (OTC) drugs and medicines purchased January 1, 2011 and after now require a medical practitioner's prescription in order to be reimbursed tax-free as a qualified HSA expense.

- * If you use your HSA funds to pay for OTC drugs and medicines and you want that withdrawal to be tax-free, you must keep: a copy of the itemized cash register receipt and the doctor's prescription.
- * OTC health care supplies such as bandages, first aid kits, blood pressure monitors, etc. do not require a prescription. Insulin does not require a prescription either.

Below is a list of over-the-counter expenses that will and will not require a prescription. This is only a brief summary to be used as a quick reference and does not include all of the expenses that may be qualified. For more details, please refer to IRS Publication 502 or contact your personal tax advisor.

Drugs & Medicines that require a prescription:

Acid Controllers
Allergy & Sinus
Antibiotic Products
Anti-Diarrheals
Anti-Gas
Anti-itch & insect bites
Cough, Cold & Flu
Diabetic supplies
Digestive Aids
Pain Relief
Respiratory Treatments
Sleep Aids & Sedatives
Stomach Remedies

OTC items that will not require a prescription:

Back brace
Bandages
Birthing tub
Carpal tunnel wrist supports
Contact lens solution and enzyme
Crutches
Gauze pads
Hearing aid batteries
Reading glasses
Thermometers
Wheel chairs

The following list contains common medical expenses that are *not* qualified for tax-free reimbursement. Again, this list is to be used as a quick reference and does not include all non-qualified expenses. For more details, please refer to IRS Publication 502 or contact your personal tax advisor.

Administrative costs	Funeral expenses	Surrogate expenses
Advanced reimbursement	Hair transplant	Teeth whitening
Babysitting or child care	Illegal operations or treatments	Toothbrushes or toothpaste
Cosmetic procedures or surgery	Lodging while attending a medical conference	Travel for general health improvement
Deodorant	Marijuana or other controlled substances	Vitamins for general well-being
Dependent day care expenses	Nursing services for baby	
Diapers or diaper service	Prescription drugs and medicines obtained from other countries	
Electrolysis or hair removal	Safety glasses, unless prescription lenses	
Face creams, moisturizers, and face-lift		

The following are also HSA-qualified expenses:

- n Health care continuation coverage (such as coverage under COBRA),
- n A qualified long-term care insurance contract (for premiums up to the limits provided in IRS Publication 502),
- n Any health plan maintained while the individual is receiving unemployment compensation under federal or state law, or,
- n Medicare and other health care coverage if you are 65 or older (does not include premiums for Medicare supplemental policies such as Medigap).

The Internal Revenue Service requires that you keep records sufficient to later show that:

- n HSA withdrawals were used to pay or reimburse qualified medical expenses,
- n The qualified medical expenses had not been previously paid or reimbursed from another source, and
- n The medical expenses had not been taken as a itemized deduction in any year.

Do not send those records with your tax return. Keep them with your tax records.

These lists are not all inclusive.

American Fidelity does not provide tax or legal advice. Consult your tax advisor for additional information.



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