

Which medical expenses can be paid for with tax-deductible HSA funds?

IRS regulations require that you keep all receipts and any documentation for eligible medical expenses with your personal tax records. The following is a partial list of eligible/potentially eligible/ineligible medical expenses. If you have any questions about an item's eligibility, please contact SelectAccount® customer service at (651) 662-5065 or toll free at 1-800-859-2144. For over-the-counter expenses, see the [Over-the-Counter Eligibility List](#).

Eligible medical expenses

Abdominal supports	Drug addiction/substance abuse treatment	Orthotics (custom and non-custom)
Abortion	Embryo, egg and sperm storage fees	Oxygen and oxygen equipment
Acupuncture	Eye exams	Patient responsibilities under the medical, dental or vision plan solely because of the plan's deductible, copay (coinsurance), reasonable and customary charge limit or benefit limit
Alcoholism treatment	Eye surgery (laser or radial keratotomy)	Physical exams (routine, medical, well-child)
Allergy shots	Eyeglasses – prescription sunglasses/safety glasses	Physical therapy
Ambulance	Eyeglasses – reading	Prenatal/postnatal exams
Arch supports	Fertility treatments (e.g., artificial insemination, egg donor fees, in vitro)	Prescription drugs that are not cosmetic (prescription drugs imported from other countries are not covered)
Artificial limbs	First aid kits	Preventive care screenings (e.g., mammogram, colonoscopy)
Asthma treatments/nebulizer	Flu shots	Prosthesis
Band-aids/gauze	Fluoride treatment at a dental office	Psychiatric care
Bariatric surgery	Gambling addiction treatment	Shipping and handling fees for eligible expenses
Blood pressure monitoring devices	Group therapy (for patient)	Sleep study
Body scans (e.g., MRI, CAT Scan)	Hearing tests and aids	Smoking cessation medications/programs
Brace (e.g., knee, back, wrist)	Home health care	Speech therapy
Breast pumps and supplies for the pump only	Immunizations	Sublingual antigen (allergy drops)
Childbirth/lamaze classes (related to birth)	Individual counseling (counseling must be performed to alleviate or prevent a physical or mental defect or illness)	Taxes paid for eligible expenses
Chiropractic treatments (e.g., adjustments)	Lab tests	Transportation expenses relative to health care (corresponding medical documentation requested)
Circumcision	Long Term Care Premiums	Tubal ligation/tubal ligation reversal
Coinsurance amounts (health, dental or vision)	Mastectomy-related special bras	Vaccinations
Contact lenses (corrective)	Medical records charges	Varicose veins, treatment of
Convalescent home (for medical treatment only)	Mental health treatment facility	Vasectomy/vasectomy reversal
Copayments (health, dental or vision)	Nutritional consultation	Walkers/canes (purchase or rental)
C-PAP machine and supplies	Occlusal guards to prevent teeth grinding	Wheelchair (purchase or rental)
Crutches (purchase or rental)	Oral surgery	X-rays
Deductibles (health, dental or vision)	Organ transplant (including donor's expenses)	
Dental procedures, non-cosmetic (e.g., X-rays, fillings, extractions, crowns, implants)	Orthodontics	
Dentures	Orthopedic inserts	
Diabetic supplies (e.g., insulin, syringe, monitor, insulin pump)		

Potentially eligible medical expenses (The IRS requires a Letter of Medical Necessity from your health care provider to keep with your personal tax records)

Air conditioner (capital expense)	Group therapy for a family member	Medical conference admission and transportation (excludes meals and lodging)
Air purifier (potential capital expense)	Guide dog/service animal (purchase, care for, training)	Mentally handicapped residential or group home
Athletic club membership	Herbal treatments	Orthopedic shoes
Automobile modifications (capital expense)	Holistic or natural healers consult	Personal trainer fees
Behavioral modification programs	Home improvements (e.g., exit ramps, widening doorways) (capital expense)	Prescription drugs that also have a cosmetic purpose (e.g., Retin-A, Rogaine, Botox, Propecia, Phentermine)
Breast reconstructive surgery	Hormone replacement therapy (HRT)	Special education costs for dependents with disabilities
Breast reduction surgery that is medically necessary	Household products/improvements to treat allergies	Stem cell, harvesting and/or storage of
Cosmetic surgery (for repair or reconstruction after accident or surgery or for correction of birth defect)	Lactation consultant	Umbilical cord, freezing and storing of
DNA collection and storage	Lead-based paint removal	Telephone/television equipment for hearing-impaired persons
Dyslexia testing and instruction	Learning disability treatment	Weight loss program (if prescribed by a physician for a specific medical condition excludes food)
Elevator (capital expense)	Lodging (away from home for outpatient care – special rules may apply)	Wigs
Exercise equipment or programs	Manual therapy	
Fluoridation device	Massage therapy	
Food thickeners		
Genetic testing		

Ineligible medical expenses

Birthing tubs	Illegal operations and treatments	Prescription drug discount program fees
Bottled water	Illegally obtained drugs	Prescription drugs and medicines imported from other countries
Braille books/magazines	Late fees (e.g., for late payment of bills for medical services)	Special foods/beverage (e.g. protein bars/shakes)
Cleaning service	Lodging while attending a medical conference	Sports training and activities
Cosmetic surgery and procedures	Marijuana or other controlled substances in violation of federal law	Surrogate expenses
Cosmetics, hygiene products and similar items	Marriage counseling	Swimming lessons
Dancing lessons	Maternity clothes	Swimming pool and maintenance
Diapers or diaper service	Meals	Tanning salons and equipment
Diet foods	Medical newsletter	Teeth whitening
Ear or body piercing	Missed appointment fees	Transportation costs of disabled individual commuting to and from work
Electrolysis or hair removal	Mouthwash	Travel for general health improvement
Feminine hygiene products (e.g., tampons)	New parent/newborn child care classes	Veneers
Funeral, cremation or burial expenses	Non-prescription eyeglasses, sunglasses, safety glasses or contacts	Vision discount program fees
Hair colorants	Prepayments	
Hair transplants		
Household help		

Eligible medical expense

Medical expenses that can be reimbursed through your HSA include services and supplies incurred by you or your eligible dependents for the diagnosis, treatment or prevention of disease or for the amounts you pay for transportation to get medical care.

In general, deductions allowed for medical expenses on your federal income tax according to Internal Revenue Code Section 213(d) may be reimbursed through your HSA. You cannot deduct medical expenses on your federal income tax that have been reimbursed through your HSA. It is possible that changes in the IRS rules can affect the eligible, potentially eligible, and/or ineligible expense categories.

HSA eligible medical expenses do not include medical premiums except COBRA, health insurance (other than Medicare Supplement policies) after the individual has reached age 65, qualified long-term care insurance, and health coverage while the account holder is receiving unemployment compensation. Premiums for employer-sponsored retiree medical plans can also be paid from the HSA.

Capital expense

A capital expense is an improvement and/or special equipment added to a home or other capital expenditure that may be eligible if the primary purpose is medical care. You must have an appraisal of your home within one year prior to the installation and an appraisal after the installation to determine the value added to the home. The amount eligible is the difference between the cost of the expense and the increase in the additional value of your home. If the improvement/special equipment is used by individuals other than the person needing it for medical care, the eligible amount should be divided by the number of people using the item. *Example:* A ramp is purchased for \$3,000 and prior to installation your house is appraised at \$100,000. After installation of the ramp your house is appraised for \$101,000. The amount that is eligible under your HSA is \$2,000. A Letter of Medical Necessity is required from your health care provider to be kept with your personal tax records.

For assistance in calculating capital expense, the Capital Expense Worksheet and Letter of Medical Necessity are available at www.selectaccount.com. If you have questions about a capital expense, please contact customer service for a more detailed explanation.

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These lists are intended to serve as a quick reference and are provided with the understanding that SelectAccount is not engaged in rendering tax advice. For more detailed information, please refer to IRS Publication 502, "Medical and Dental Expenses," Catalog Number 15002Q. Publications can be ordered from the IRS by calling 1-800-TAX-FORM (1-800-829-3676). If tax advice is required, seek the services of a competent professional.