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Health Savings Accounts Examples of Eligible Expenses



Health Savings Accounts

Your Favorite Healthcare Staffing **Health Savings Account** may reimburse:

- ◆ **Qualified medical expenses incurred by the account beneficiary and his or her spouse and dependents;**
- ◆ **COBRA premiums;**
- ◆ **Health insurance premiums while receiving unemployment benefits;**
- ◆ **Qualified long-term care premiums*;** and
- ◆ **Any health insurance premiums paid, other than for a Medicare supplemental policy, by individuals age 65 or older**

Distributions made from an HSA to reimburse the account beneficiary for eligible expenses are excluded from gross income.

Qualified Medical Expenses

Qualified medical expenses. The Internal Revenue Service defines **qualified medical care expenses within IRS Section 213(d)**. Medical care expenses are further defined as amounts paid for the diagnosis, cure, or treatment of a disease, and for treatments affecting any part or function of the body. The expenses must be primarily to alleviate a physical or mental defect or illness.

The products and services listed below are examples of medical expenses eligible for payment under your [C_OfficialName] **Health Savings Account**, when such services are not covered by your High Deductible Health Plan. This list is not all-inclusive; additional expenses may qualify, and the items listed below are subject to change in accordance with IRS regulations. Please refer to *IRS Publication 502 Medical and Dental Expenses* for a complete description of eligible medical and dental expenses.

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| <ul style="list-style-type: none"> ✓ Abortion ✓ Acne treatment ✓ Acupuncture ✓ Administrative costs ✓ Adoption - <i>pre-adoption medical expenses</i> ✓ Alcoholism treatment ✓ Allergy medications ✓ Ambulance ✓ Antacid ✓ Antihistamine ✓ Artificial limbs & teeth ✓ Aspirin ✓ Automobile modifications – <i>if for physically handicapped person</i> ✓ Bandages ✓ Birth control pills ✓ Blood pressure monitoring devices ✓ Blood sugar test kit & test strips ✓ Body scan | <ul style="list-style-type: none"> ✓ Braille books/magazines ✓ Breast reconstruction surgery following mastectomy ✓ Car modifications – <i>if for physically handicapped person</i> ✓ Carpal tunnel wrist supports ✓ Contraceptives ✓ Condoms ✓ Chondroitin ✓ Circumcision ✓ COBRA premiums ✓ Co-insurance amounts and deductibles ✓ Contact lenses – also materials & equipment ✓ Cough suppressants ✓ Decongestants ✓ Dental treatment ✓ Dentures and denture adhesives ✓ Diabetic supplies ✓ Diagnostic items/services | <ul style="list-style-type: none"> ✓ Disabled dependent care expenses ✓ Drug addiction treatment ✓ Drug overdose, treatment of ✓ Prescription drugs ✓ Over-the-counter drugs ✓ Ear plugs – <i>for medical purposes</i> ✓ Egg donor fees ✓ Fluoridation device or services ✓ Glucose monitoring equipment ✓ Guide dog/other animal aid ✓ Health institute fees – <i>only if prescribed by a physician</i> ✓ Hearing aids ✓ Hemorrhoid treatments ✓ Hormone replacement therapy (HRT) ✓ Hospital services ✓ Hot/cold packs ✓ Inclinator |
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Health Savings Accounts

- ✓ Insect bite creams and ointments
- ✓ Insulin
- ✓ Laboratory fees
- ✓ Language training
- ✓ Laser eye surgery/Lasik
- ✓ Lead-based paint removal
- ✓ Learning disability, instructional fees
- ✓ Lodging at a hospital or similar institution
- ✓ Lodging not at a hospital or similar institution (up to \$50/night)
- ✓ Lodging of a companion – *yes if accompanying a patient for medical reasons*
- ✓ Massage therapy – *only if recommended by a physician to treat a specific trauma or injury*
- ✓ Meals at a hospital
- ✓ Medic Alert bracelet or necklace
- ✓ Medical services
- ✓ Menstrual pain relievers
- ✓ Motion sickness pills
- ✓ Nasal strips or sprays – *only to treat sinus problems; not to prevent snoring*
- ✓ Nicotine gum or patches
- ✓ Norplant insertion or removal
- ✓ Nursing services provided by a nurse or attendant
- ✓ Nutritional supplements – *only if recommended by a medical practitioner as treatment for a specific medical condition diagnosed by a physician.*
- ✓ Obstetrical expenses
- ✓ Occlusal guard to prevent teeth grinding
- ✓ Operations
- ✓ Optometrist
- ✓ Organ donors/transplants
- ✓ Orthodontia
- ✓ Osteopath fees
- ✓ Ovulation monitor
- ✓ Oxygen
- ✓ Pain relievers
- ✓ Patterning exercise
- ✓ Personal trainer fees
- ✓ Physical exams
- ✓ Physical therapy
- ✓ Pregnancy test kits
- ✓ Prescription glasses/sun/reading
- ✓ Preventive care screenings
- ✓ Prostheses
- ✓ Psychiatric care
- ✓ Psychoanalysis
- ✓ Psychologist
- ✓ Radial keratotomy
- ✓ Screening tests
- ✓ Sinus medications
- ✓ Sleep deprivation treatment
- ✓ Smoking cessation programs
- ✓ Special food required for diet by physician
- ✓ Spermicidal foam
- ✓ Sterilization procedures
- ✓ Prescription sunglasses
- ✓ Sunburn cream/ointments
- ✓ Surgery
- ✓ Taxes on medical services and products
- ✓ Toothache/teething pain relievers
- ✓ Transplants
- ✓ Transportation expenses for person to receive medical care
- ✓ Tuition for special needs program
- ✓ Vaccines/Immunizations
- ✓ Vasectomy
- ✓ Veterinary fees – *for the care of seeing- or hearing-impaired animals*
- ✓ Viagra – *if prescribed by a physician*
- ✓ Weight loss program/drugs – *if prescribed by a physician*
- ✓ Wheelchair
- ✓ Wig
- ✓ X-ray fees

Plans that do not allow reimbursement of **all** eligible medical expenses as defined by the IRS and Department of Treasury must customize this brochure prior to use.

* For purposes of reimbursement of qualified long-term care premiums from an HSA, reimbursement in excess of the amount which may be deducted on an individual's personal tax return is not an eligible expense. IRS 213(d)(10) establishes the tax deduction allowed for qualified long-term care premiums on individual tax returns. If the HSA reimburses long-term care premiums for an amount greater than set forth in IRC 213(d)(10), the amount greater than allowed is included in the account holder's taxable income and is subject to a 10% penalty.