

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. It is possible that future changes in the IRS rules will affect the eligible, potentially eligible, and/or ineligible expense categories. If you have any questions about an item's eligibility, please contact Further customer service at 800-859-2144.

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

Eligible medical expenses

Abdominal supports	Drug addiction/substance abuse treatment	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	First aid kits	Prescription drugs that are not cosmetic (prescription drugs imported from other countries are not eligible)
Artificial limbs	Flu shots	Preventive care screenings (e.g., mammogram, colonoscopy)
Asthma treatments/nebulizer	Fluoridation treatment at a dental office	Prosthesis
Band-Aids/gauze	Gambling addiction treatment	Psychiatric care
Bariatric surgery	Group therapy (for patient)	Shipping and handling fees for eligible expenses
Blood pressure monitoring devices	Hearing tests and aids	Sleep study
Body scans (e.g., MRI, CAT scan)	Home health care	Smoking cessation medications/programs
Brace (e.g., knee, back, wrist)	Hormone replacement therapy (HRT)	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	Vaccinations
Coinsurance amounts (health, dental or vision)	Mastectomy-related special bras	Varicose veins, treatment of
Contact lenses (corrective)	Medical records charges	Walkers/canes (purchase or rental)
Convalescent home (for medical treatment only)	Mental health treatment facility	Wheelchair (purchase or rental)
Copayments (health, dental or vision)	Nutritional consultation	X-rays
C-PAP machine and supplies	Occlusal guards to prevent teeth grinding	
Crutches (purchase or rental)	Oral surgery	
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 healthcare provider to keep with your personal tax records. The Letter of Medical Necessity is available at hellofurther.com.)

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

Ineligible medical expenses

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

Certain health insurance premiums are eligible to be paid out of your HSA. Qualified premiums include: COBRA health insurance, insurance premiums after you reach age 65 (including Medicare Parts A, B, C and D but not Medicare supplement plans), qualified long-term care insurance, health insurance premiums while receiving unemployment compensation under state or federal law and premiums for employer-sponsored retiree medical plans for account holders 65 and older.

Expenses eligible for reimbursement from your spending account may or may not be a covered benefit under your Concordia Health Plan. Refer to your Plan documents for more information. These lists are intended to serve as a quick reference and are provided with the understanding that Further 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.

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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 healthcare provider to be kept with your personal tax records.

For assistance in calculating capital expense, the Capital Expense Worksheet is available at hellofurther.com. If you have questions about a capital expense, please contact customer service for a more detailed explanation.