Eligible and Ineligible Healthcare Expenses

IRS regulations govern the eligibility of expenses, which include those that are not fully covered by a healthcare plan and are prescribed by a physician or other licensed professional primarily for preventing, treating or mitigating a physical defect or illness. A partial list of eligible expenses is provided below.

### Examples of Eligible Healthcare Expenses

- Acupuncture
- Alcoholism or drug dependency treatment centers
- Ambulance
- Artificial limbs and teeth
- Birth control pills and devices
- Braille books and magazines
- Childbirth preparation classes for mother, excluding portion for mother’s coach
- Contact lenses and contact lens solutions
- Dental treatment (non-cosmetic), including dentures, and orthodontia (braces and retainers)
- Eye examination
- Eye laser surgery
- Prescription eyewear
- Fees to doctors, hospitals, etc. for:
  - Anesthesiologist
  - Chiropodists
  - Chiropractor
  - Clinic
  - Dentist
  - Dermatologist
  - Gynecologist
  - Midwife
  - Neurologist
  - Obstetrician
  - Ophthalmologist
  - Optometrist
  - Osteopath, licensed
  - Pediatrician
  - Podiatrist
  - Practical Nurse
  - Psychiatrist
  - Psychologist (medical care only)
  - Sex therapist
  - Surgeon
- Guide dog and its upkeep
- Hearing aids/batteries
- Home modifications to accommodate handicapped person
- Most hospital services
- Insulin, syringes
- Laboratory fees
- Lip-reading lessons
- Lodging for medical care
- Medical supplies (prescribed)
- Mental institution care, mentally ill person unsafe when alone
- Mentally retarded, special home for
- Nurses expenses and board
- Nursing care
- Obstetrical expenses
- Operation and related treatments
- Organ donation, organ transplants
- Orthopedic shoes, excess of costs over normal shoes
- Over-the-counter expenses (see reverse side for details)
- Oxygen equipment
- Radial keratotomy
- Rental of medical equipment prescribed by doctor
- Smoking cessation programs
- Special schooling for physically or mentally handicapped family
- Speech therapy
- Sterilization, legal
- Telephone for the deaf
- Television closed caption decoder equipment that displays the audio part of TV programs for deaf
- Therapy received as medical treatment
- Transplant, medical expenses of donor/prospective donor
- Transportation expenses for essential medical care (mileage varies yearly)
- Tuition at special school for the handicapped
- Vaccinations
- Vasectomy
- Visual alert system for deaf person
- Wheelchair
- X-rays

### Examples of Ineligible Healthcare Expenses

- Any illegal treatment
- Cosmetic surgery, electrolysis, teeth bleaching, and hair transplant that is not medically necessary
- Cost of illegal drugs, even if physician directed
- Cost of remedial reading classes for non-handicapped child
- Dancing or ballet, even when recommended by doctor
- Diaper service
- Fees for exercise, athletic, or health club memberships
- Funeral expenses
- Marriage counseling
- Maternity clothes
- Non-prescription sunglasses
- Vitamins, unless recommended by a physician as treatment for a specific, diagnosed medical condition
- Parenting classes
- Spousal or personal insurance premium
- Swimming lessons
Healthcare Expenses: Over-the-Counter Items

*This List is Subject to Change*

as the federal government releases new guidance under health care reform

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**ACCEPTED OVER-THE-COUNTER ITEMS**

**ANTISEPTICS**
Benzocaine swabs
Boric acid powder
First aid wipes
Hydrogen Peroxide
Iodine tincture
Rubbing Alcohol
Sublimed Sulfur powder

**DIABETES**
Diabetic lancets
Diabetic supplies
Diabetic test strips
Glucose meters

**EAR/EYE CARE**
Airplane ear protection
Ear water-drying aid
Earwax removal drops
Homeopathic earache tabs
Contact lens solution

**HEALTH AIDS**
Antifungal treatments
Bandages
Crutches
Denture adhesives
Incontinence supplies
Lice control
Moisturizers (KY, Replens type products)
Pedialyte type products
Respiratory stimulant ammonia

**PERSONAL TEST KITS**
Blood pressure monitor
Cholesterol tests
Colorectal cancer screening tests
Home drug screening tests
Ovulation indicators
Pregnancy tests
Thermometers
Upset stomach medications

**REQUIRES A PRESCRIPTION**
Asthma medications
Cold, Flu & Allergy Over-the-Counter medications
Eye drops
Minerals
Multi-vitamins
Over-the-Counter medications
Pain relievers
Saline nose drops
Skin Care Products
  - Acne treatments
  - Anti-itch lotion
  - Bunion and blister treatments
  - Corn/callus removal medications
  - Diaper rash ointment
  - Eczema cream
  - Medicated bath products
  - Medicated powder
  - Wart removal medications

Stomach care
Special supplements
Vitamins

**REQUIRES A LETTER OF MEDICAL NECESSITY**
Ear plugs
Cold or hot compresses
Foot products (arch support, cushion)
Foot spa
Gauze and tape
Herbs
Gloves and masks
Leg or arm braces
Massagers
Special teeth cleaning system

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*EFFECTIVE JANUARY 1, 2011*

Over-the-counter Medications will not be Eligible for Benefit Account Reimbursement unless you have a prescription.