



Health Savings Accounts

Examples of Eligible Expenses

Your West Virginia Wesleyan College 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

The Internal Revenue Service defines **qualified medical care expenses** 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 **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.

Presented to you by



- Abortion
- Acupuncture
- Alcoholism treatment, including meals, lodging, and transportation
- Ambulance service
- Artificial limbs & teeth
- Autoette/Autoette maintenance
- Bandages
- Birth control pills
- Braille books/magazines
- Breast reconstruction surgery following mastectomy
- Capital expenses (modifying a home for handicapped accessibility)
- Car modifications – if for a physically handicapped person
- Chiropractor
- Christian Science Practitioner COBRA payments
- Contact lenses – also materials & equipment, such as saline and enzyme cleaner
- Crutches
- Dental treatment, except for teeth whitening
- Diagnostic items/services, such as blood sugar test kits
- Disabled dependent care services
- Drug addiction treatment, including meals and lodging
- Eyeglasses
- Eye Examinations
- Eye Surgery, including radial keratotomy
- Fertility enhancement, such as in vitro or reverse vasectomy (some treatments excluded)
- Fluoridation device or services
- Founder's fees
- Guide dog/Other animal aid
- Health institute, if prescribed by a physician
- HMO (Health Maintenance Organization)
- Hearing aids
- Home care/nursing services
- Home improvements (see "Capital expenses")
- Hospital services, including meals and lodging
- Insurance premiums (with some exceptions)
- Laboratory fees
- Language training
- Laser eye surgery/Lasik
- Lead-based paint removal in home
- Learning disability
- Legal fees (with restrictions)
- Lifetime care advance payments for a private institution or retirement home
- Lodging (treatment-related only, and with restrictions, up to \$50 per person)
- Long term care insurance
- Long term care services (some)
- Meals (treatment-related, with restrictions)
- Medical conference fees (relating to chronic illness; lodging and meals not included)
- Medical information plan
- Medical services
- Medicare Parts A , B and D
- Medicines (both over-the-counter and prescribed)
- Mentally retarded person's special housing, as recommended by a psychiatrist
- Mileage (18 cents per mile)
- Nursing home – only if there for medical reasons
- Nursing services provided by a nurse or attendant
- Operations
- Optometrist
- Organ donors/transplants
- Orthodontia
- Osteopath fees
- Oxygen
- Prosthesis
- Psychiatric care (including costs for residential care)
- Psychoanalysis, except those sessions as part of required training to become a psychoanalyst
- Psychologist
- Special education
- Sterilization procedures
- Stop-smoking programs – cannot include non-prescribed drugs, such as nicotine patches or gum
- Surgery
- Telephone modifications (for disability)
- Television modifications (for disability)
- Therapy, including "patterning" exercises for a mentally retarded child
- Transplants
- Transportation (treatment-related), including bus, taxi, train, and gas/oil
- Trips (for treatment) – can only include up to \$50/night for lodging
- Tuition for special needs program
- Vasectomy
- Vision Correction
- Weight loss program/foods – if prescribed by a physician (fees for gym membership not eligible)
- Wheelchair/Wheelchair maintenance
- Wigs
- 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.

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* 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.