Which medical expenses can be paid for with tax-deductible Health Care Reimbursement Account funds?

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 Further customer service at 1-800-859-2144. For over-the-counter expenses, see the Over-the-Counter Eligibility List.

Eligible medical expenses

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

* 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 150020. 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.
Potentially eligible medical expenses (requires Letter of Medical Necessity from health care provider)

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

Ineligible medical expenses

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

Eligible medical expense

Medical expenses that can be reimbursed through your Health Care Reimbursement Account 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 Health Care Reimbursement Account. You cannot deduct your medical expenses on federal income tax that have been reimbursed through your Health Care Reimbursement Account. It is possible that changes in the IRS rules can affect the eligible, potentially eligible, and/or ineligible expense categories.

Potentially eligible medical expenses

In order to determine eligibility for potentially eligible items, further requires a Letter of Medical Necessity from your health care provider. You can obtain a Letter of Medical Necessity to have your health care provider complete at hellofurther.com.

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. A Letter of Medical Necessity is required from your health care provider. To submit your capital expense, 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 Health Care Reimbursement Account is $2,000.

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.