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

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. If you have any questions about an item’s eligibility, please contact SelectAccount™ customer service at (651) 662-5065 or toll free at 1-800-859-2144. For over-the-counter expenses, see the Over-the-Counter Eligibility List.

<table>
<thead>
<tr>
<th>Eligible medical expenses</th>
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</thead>
<tbody>
<tr>
<td>Abdominal supports</td>
<td>Drug addiction/substance abuse treatment</td>
<td>Orthotics (custom and non-custom)</td>
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<tr>
<td>Abortion</td>
<td>Embryo, egg and sperm storage fees</td>
<td>Oxygen and oxygen equipment</td>
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<tr>
<td>Acupuncture</td>
<td>Eye exams</td>
<td>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</td>
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<tr>
<td>Alcoholism treatment</td>
<td>Eye surgery (laser or radial keratotomy)</td>
<td>Physical exams (routine, medical, well-child)</td>
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<td>Allergy shots</td>
<td>Eyeglasses — prescription sunglasses/safety glasses</td>
<td>Physical therapy</td>
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<tr>
<td>Ambulance</td>
<td>Eyeglasses — reading</td>
<td>Prenatal/postratal exams</td>
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<tr>
<td>Arch supports</td>
<td>Fertility treatments (e.g., artificial insemination, egg donor fees, in vitro)</td>
<td>Prescription drugs that are not cosmetic (prescription drugs imported from other countries are not covered)</td>
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<tr>
<td>Artificial limbs</td>
<td>First aid kits</td>
<td>Preventive care screenings (e.g., mammogram, colonoscopy)</td>
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<tr>
<td>Asthma treatments/nebulizer</td>
<td>Flu shots</td>
<td>Prosthesis</td>
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<tr>
<td>Bandaids/gauze</td>
<td>Fluoride treatment at a dental office</td>
<td>Psychiatric care</td>
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<tr>
<td>Bariatric surgery</td>
<td>Gambling addiction treatment</td>
<td>Shipping and handling fees for eligible expenses</td>
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<tr>
<td>Blood pressure monitoring devices</td>
<td>Group therapy (for patient)</td>
<td>Sleep study</td>
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<tr>
<td>Body scans (e.g., MRI, CAT Scan)</td>
<td>Hearing tests and aids</td>
<td>Smoking cessation medications/programs</td>
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<tr>
<td>Brace (e.g., knee, back, wrist)</td>
<td>Home health care</td>
<td>Speech therapy</td>
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<tr>
<td>Breast pumps and supplies for the pump only</td>
<td>Immunizations</td>
<td>Sublingual antigen (allergy drops)</td>
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<tr>
<td>Childhood/la maze classes (related to birth)</td>
<td>Individual counseling (counseling must be performed to alleviate or prevent a physical or mental defect or illness)</td>
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<tr>
<td>Chiropractic treatments (e.g., adjustments)</td>
<td>Lab tests</td>
<td>Taxes paid for eligible expenses</td>
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<tr>
<td>Circumcision</td>
<td>Long Term Care Premiums</td>
<td>Transportation expenses relative to health care (corresponding medical documentation requested)</td>
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<tr>
<td>Coinsurance amounts (health, dental or vision)</td>
<td>Mastectomy-related special bras</td>
<td>Tubal ligation/tubal ligation reversal</td>
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<tr>
<td>Contact lenses (corrective)</td>
<td>Medical records charges</td>
<td>Vaccinations</td>
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<tr>
<td>Convalescent home (for medical treatment only)</td>
<td>Mental health treatment facility</td>
<td>Varicose veins, treatment of</td>
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<tr>
<td>Copayments (health, dental or vision)</td>
<td>Nutritional consultation</td>
<td>Vasectomy/vasectomy reversal</td>
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<tr>
<td>C-PAP machine and supplies</td>
<td>Occusal guards to prevent teeth grinding</td>
<td>Walkers/canes (purchase or rental)</td>
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<td>Crutches (purchase or rental)</td>
<td>Oral surgery</td>
<td>Wheelchair (purchase or rental)</td>
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<tr>
<td>Deducibles (health, dental or vision)</td>
<td>Organ transplant (including donor’s expenses)</td>
<td>X-rays</td>
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<tr>
<td>Dental procedures, non-cosmetic (e.g., X-rays, fillings, extractions, crowns, implants)</td>
<td>Orthodontics</td>
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<tr>
<td>Dentures</td>
<td>Orthopedic inserts</td>
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<tr>
<td>Diabetic supplies (e.g., insulin, syringe, monitor, insulin pump)</td>
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These lists are intended to serve as a quick reference and are provided with the understanding that SelectAccount 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 (The IRS requires a Letter of Medical Necessity from your health care provider to keep with your personal tax records)

- Air conditioner (capital expense)
- Air purifier (potential capital expense)
- Athletic club membership
- Automobile modifications (capital expense)
- Behavioral modification programs
- Breast reconstructive 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
- Floridation device
- Food thickeners
- Genetic testing
- Group therapy for a 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)
- Hormone replacement therapy (HRT)
- 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, Phentermine)
- Special education costs for dependents with disabilities
- Stem cell, harvesting and/or storage of umbilical cord, freezing and storing of
- Telephone/television equipment for hearing-impaired persons
- Weight loss program (if prescribed by a physician for a specific medical condition excludes food)
- Wigs

Ineligible medical expenses

- Birthing tubs
- Bottled water
- Braille 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
- Meats
- 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/beverage (e.g. protein bars/shakes)
- 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 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.

HSA eligible medical expenses do not include medical premiums except COBRA, health insurance (other than Medicare Supplement policies) after the individual has reached age 65, qualified long-term care insurance, and health coverage while the account holder is receiving unemployment compensation. Premiums for employer-sponsored retiree medical plans can also be paid from the HSA.

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 health care provider to be kept with your personal tax records.

For assistance in calculating capital expense, the Capital Expense Worksheet and Letter of Medical Necessity are available at www.selectaccount.com. If you have questions about a capital expense, please contact customer service for a more detailed explanation.