



Use your HSA to pay for qualified medical expenses

Your health savings account (HSA) can be used to pay for many covered health care services for yourself, your spouse and even tax dependents. It can also be used to pay for many other health care services and items that may not be covered by your health plan, as long as they qualify.

This is not a complete list. The Internal Revenue Service (IRS) decides which expenses can be paid from an HSA and can change the list at any time.

What is a “qualified” medical expense?

A qualified medical expense is a health care service, treatment or item that the IRS says can be purchased without having to pay taxes.

Keep your receipts.

Keep all records of your medical expenses in case of an IRS audit. That way, you can prove that your HSA was used for qualified expenses.

You can find more information on HSAs and qualified medical expenses at the government website, [IRS.gov](https://www.irs.gov).

- ▶ Acupuncture
- ▶ Alcoholism treatment
- ▶ Ambulance
- ▶ Artificial limbs
- ▶ Artificial teeth
- ▶ Blood sugar test kits for diabetics
- ▶ Breast pumps and lactation aids
- ▶ Chiropractor
- ▶ Contact lenses and solutions
- ▶ Crutches
- ▶ Dental treatments including X-rays, cleanings, fillings, braces and tooth removals
- ▶ Doctor’s office visits and procedures
- ▶ Drug addiction treatment
- ▶ Drug prescriptions
- ▶ Eyeglasses and vision exams
- ▶ Fertility treatment
- ▶ Health plan deductibles and copayments
- ▶ Health plan premiums for COBRA plans, long-term care insurance and health continuation insurance while receiving unemployment benefits
- ▶ Hearing aids and batteries
- ▶ Hospital services
- ▶ Insulin
- ▶ Laboratory fees
- ▶ Laser eye surgery
- ▶ Long-term care services (limited)
- ▶ Physical therapy
- ▶ Psychiatric care if the expense is for mental health care provided by a psychiatrist, psychologist or other licensed professional
- ▶ Special education for learning disabilities
- ▶ Speech therapy
- ▶ Stop-smoking programs including nicotine gum or patches
- ▶ Surgery, excluding cosmetic surgery
- ▶ Vasectomy
- ▶ Walker
- ▶ Weight-loss program if it is a treatment for a specific disease diagnosed by a physician
- ▶ Wheelchair

You cannot use an HSA to buy the following health care services and items:

- ▶ Cosmetic surgery
- ▶ Costs or expenses reimbursed from another source, such as health coverage or a flexible spending account
- ▶ Diaper service
- ▶ Electrolysis or hair removal
- ▶ Health club dues
- ▶ Household help
- ▶ Maternity clothes
- ▶ Nutritional supplements, such as multi-vitamins, for general good health
- ▶ Over-the-counter medicines not prescribed by a doctor
- ▶ Personal use items, such as a toothbrush, toothpaste, etc.
- ▶ Swimming lessons
- ▶ Teeth whitening

Know the penalty

If an HSA is used to pay for care or services that are not a “qualified medical expense,” you will have to pay a 20 percent penalty, plus taxes on the money spent. For example, if the expense was \$100, the penalty would be another \$20, plus taxes. This penalty does not apply if you are 65 or older.

Want more information?

Visit healthselectoftexas.com for more information about your Consumer Directed HealthSelect high-deductible health plan to see your coverage details. You can also call Optum Bank® at **(800) 791-9361**.



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Fax: 512-867-3480

Email: 1557coordinator@ers.state.tx.us

For more information, visit: <http://www.ers.texas.gov>

You can also file a civil rights complaint with the U.S. Department of Health and Human Services online, by mail or by phone at:

Online: <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>

Complaint forms are available at: <http://www.hhs.gov/ocr/office/file/index.html>

Mail: U.S. Department of Health and Human Services, 200 Independence Avenue, SW, Room 509F, HHH Building, Washington, D.C. 20201

Phone: 1-800-368-1019, 800-537-7697 (TDD)

ERS provides language assistance at no cost to you. For help, please call the ERS main number.

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