

Health Care Spending Account: List of Ineligible Expenses

This document contains a list of ineligible expenses that may not be considered qualified medical expenses (as defined in Internal Revenue Code Section 213 and are not deductible on a federal income tax return. There are others in each category. A more inclusive list of expenses can be found in IRS Publication 502 at <http://www.irs.gov/publications/p502/>.

Generally, medical expenses that are deductible are reimbursable from a Health Care Spending Account. So, this list is useful in helping you determine what types of expenses are (or are not) reimbursable from your Verizon Health Care Spending Account. Under the law, you can only receive reimbursement from your Verizon Health Care Spending Account for certain substantiated Section 213(d) medical expenses incurred by you or your eligible tax dependents. However, the actual terms of a given plan, such as the Verizon Health Care Spending Account, may not allow reimbursement for all possible deductible expenses.

Your Summary Plan Description contains important details pertaining to your Health Care Spending Account including whose expenses are eligible for reimbursement and providing context regarding what types of expenses are reimbursable. Review your Summary Plan Description, the following list, and, if necessary, consult a tax advisor if you have questions pertaining to the eligibility for reimbursement for a particular expense from your Health Care Spending Account. [Don't forget that effective January 1, 2013, you cannot contribute more than \$2,500 to your Health Care Spending Account.]

Healthcare Expense Type	Qualified?	IRS GUIDELINES
Acne treatment	No	When the treatment is for cosmetic purposes (for ex., to reduce wrinkles), the cost is not a qualified medical expense.
	No	The cost of regular skin care is not a qualified medical expense.
Adoption	No	Fees relating to the adoption process and for medical expenses incurred prior to beginning adoption negotiations are not reimbursable.
	No	Expenses incurred by the birth mother associated with an adopted baby's birth are not reimbursable for the HCSA participant.
Allergy treatment products	No	If the product would be owned even without allergies (such as a pillow or vacuum cleaner), the expense is generally not reimbursable.
Alternative provider	No	Naturopathic procedures and treatments using natural agents such as air, water or sunshine are generally not reimbursable.
Automobile modifications		See Car .
Babysitting/child and dependent care	No	The cost of babysitting, child care and nursing services for a healthy child or dependent are not qualified medical expenses..
Birthing classes		See Childbirth classes/Lamaze .
Birthing coach		See Doula .
Bleaching/teeth whitening		See Cosmetic treatment .
Bonding of the teeth		See Cosmetic treatment .

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Breast augmentation	No	The cost of a breast augmentation (such as an implant or injection) is not a qualified medical expense. Also see Cosmetic treatment .
Car	No	The cost of operating a specially equipped car is not a qualified medical expense. Also see Transportation .
Childbirth classes/Lamaze	No	The portion of instruction not related to childbirth (such as possible discomfort and mood swings, learning about your unborn baby's growth and development, breast feeding v. bottle feeding, newborn care) is not a qualified medical expense.
Chinese herbal practitioner & herbal treatments		See Alternative provider .
Circumcision	No	Fees for "ritual" circumcision performed by a non-healthcare provider (e.g., a rabbi, mohel) are not eligible.
COBRA premiums		See Insurance premiums .
Cold/hot pack	No	When used for other purposes (for ex., to keep beverages hot or cold), amounts paid for cold and hot packs are not qualified medical expenses.
Collagen injections	No	The cost of collagen injections for cosmetic purposes is not a qualified medical expense. Also see Cosmetic treatment .
Contact lenses, saline solution, supplies, warranties	No	Amounts paid for cosmetic contact lenses (such as to change eye color without vision correction) are not qualified medical expenses. See Eyeglasses, supplies .
Controlled substance in violation of federal law	No	If the controlled substance violates federal law, even when it is allowed by state law and used to treat a diagnosed medical condition, the cost is not a qualified medical expense.
Convalescent home	No	The cost of custodial care in a convalescent or nursing home (for ex., long-term care) is not an HCSA-qualified expense.
Cord blood	No	Storage and harvesting fees paid for non-medical reasons or to preserve the cord blood for future use are not qualified medical expenses.
Cosmetic treatment	No	Elective cosmetic surgery is not a qualified medical expense as it does not meaningfully promote the proper functioning of the body or prevent or treat an illness or disease. Some examples of non-qualified cosmetic surgery procedures include, but are not limited to: <ul style="list-style-type: none"> - Breast augmentation/enhancement - Electrolysis (hair removal) - Face lift - Facials, chemical peels - Hair transplant or electrolysis - Liposuction

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		- Tattoo removal
Counseling	No	The cost of counseling for the general improvement of one's health, stress relief or personal enjoyment is not a qualified medical expense.
	No	Fees paid for family counseling, and support counseling for other family members to learn how to cope with a family member's illness is not a qualified medical expenses.
CPR	No	The cost of a CPR class is not a qualified medical expense.
Crown, dental	No	The cost of a crown that is solely for cosmetic purposes is not a qualified medical expense. Also see Dental cosmetic .
Dehumidifier	No	The cost of a dehumidifier is not a qualified medical expense.
Dental, cosmetic	No	The cost of cosmetic dental treatment is not a qualified medical expense. Also see Bleaching/teeth whitening ; and Bonding of the teeth .
Dermatology	No	Amounts paid to a dermatologist for cosmetic services (such as botox injections to eliminate wrinkles) are not qualified medical expenses.
Diapers, diaper service	No	Amounts paid for diapers and diaper services for an infant are not qualified medical expenses.
Dietary supplements	No	When taken for general good health, even when recommended by a healthcare professional, amounts paid for dietary supplements are not qualified medical expenses.
Doula	No	Amounts paid for a birthing assistant/coach for a woman during labor and after childbirth are not qualified medical expenses.
Ear/body piercing	No	The cost of ear or body piercing is not a qualified medical expense.
Educational classes	No	The cost of an educational class not specific to a medical condition or for general well-being (such as care for newborn or breast feeding) is not a qualified medical expense.
Egg donor fees	No	When the recipient is covered by the HCSA, amounts paid for the egg donor's medical and psychological testing are not reimbursable from the recipient's HCSA.
Eggs and embryos, storage fees for	No	Amounts paid for long-term storage of eggs and embryos are not qualified medical expenses.
Exercise equipment and exercise program	No	The cost of exercise equipment or an exercise program for improvement of general health is not a qualified medical expense.
Eyeglasses,	No	Amounts paid for over-the-counter sunglasses, as well as

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supplies (storage case, replacement cost, etc.), warranties		eyeglasses not needed for vision correction or reading, are not qualified medical expenses.
Fertility	No	Fees paid for preserving semen or embryos for future generations (including for genetic information) are not qualified medical expenses.
Fiber supplement	No	When taken for general good health or as part of a regular diet, even when recommended by a health care professional, the cost of a fiber supplement is not a qualified medical expense.
Food		See Meals .
Funeral	No	The cost of a funeral is not a qualified medical expense.
Hair removal or transplant	No	The cost of hair removal or a hair transplant is not a qualified medical expense. Also see Cosmetic treatment .
Health club	No	Health club dues, YMCA/YWCA dues or amounts paid for steam baths for general health or to relieve physical or mental discomfort not related to a medical condition are not qualified medical expenses.
Health Maintenance Organization (HMO)	No	Insurance premiums paid to an HMO are not HCSA-reimbursable expenses.
Hormone replacement therapy (HRT)	No	The cost of hormone replacement therapy for general well-being is not a qualified medical expense.
Household help	No	The cost of household help, even if recommended by a health care professional, is not a qualified medical expense.
Illegal operations and treatments	No	The cost of an illegal operation or other treatment is not a qualified medical expense.
Insurance premiums	No	Health and long-term care insurance premiums are not HCSA-qualified expenses.
Lactation aids	No	The cost of nursing pillows or other personal items or accessories is not a qualified medical expense.
Lamaze classes		See Childbirth classes .
Late fee payment	No	A late fee associated with a medical payment is not a qualified medical expense.
Legal fees	No	Guardianship and estate management fees are not qualified medical expenses.
	No	Legal fees to obtain a divorce are not qualified medical expenses.
Lessons	No	Fees paid for lessons not recommended by a health care

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		professional or not specific to a medical condition are not qualified medical expenses.
Lifetime care advance payment	No	Prepayment of lifetime care fees and founders' fees, whether paid monthly or as a lump sum under an agreement with a retirement home, is considered insurance premium and, therefore, is not an HCSA-qualified expense.
Lodging/Trips	No	Amounts paid for a trip or vacation taken for a change in environment, improvement of morale or general improvement of health, even if recommended by a health care professional, are not qualified medical expenses.
Long-term care (LTC)	No	Premium payments for, and the cost of, long-term care (LTC) are not HCSA-qualified expenses.
Long-term disability (LTD)	No	Premium payments for long-term disability coverage are not qualified medical expenses.
Marriage counseling		See Counseling .
Massage therapy	No	The cost of massage therapy that is for general health is not a qualified medical expense.
Maternity clothes	No	The cost of maternity clothing is not a qualified medical expense.
Meals	No	The costs of meals that are not part of inpatient care are not qualified medical expenses.
	No	Amounts paid for the meals for a companion are not qualified medical expenses.
Medical conferences		See Educational classes .
Medical newsletter	No	The cost of a medical newsletter is not a qualified medical expense, as the newsletter does not directly treat the medical condition.
Medicare Parts A, B and D	No	Premiums paid for Medicare Part A, Part B and Part D are not HCSA-qualified expenses.
Medicine and drugs from other countries	No	The cost of medicine or drugs purchased from another country for use in this country is not a qualified medical expense, unless the Food and Drug Administration (FDA) announces that a prescribed drug can be legally imported by individuals.
Medicine, over-the-counter (OTC)	No	The cost of an item that is "merely beneficial to an individual's general health" is not a qualified medical expense. In addition, OTC medicines or drugs can not be reimbursed from a HCSA unless they are purchased with a prescription. The exception to this general rule is insulin.
Missed appointment fee	No	A fee paid for a missed appointment is not a qualified medical expense.

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Mouth guard	No	The cost of a sports-related safety guard not related to a medical or dental condition, even when recommended by a dentist or physician, is not a qualified medical expense.
Non-prescription drugs and medicines		See Medicine, over-the-counter (OTC) .
Nursing home		See Convalescent home .
Nutritional supplements	No	Amounts paid for foods or nutritional supplements used for general well-being, even when recommended by a health care professional, are not qualified medical expenses. Also see Dietary supplements ; and Fiber supplements .
Nutritionist	No	Amounts paid to a nutritionist for general well-being, even when recommended by a health care professional, are not qualified medical expenses.
Operation	No	The cost of cosmetic surgery is not a qualified medical expense. Also see Cosmetic treatment .
Organ donor	No	When the recipient is covered by the HCSA, medical care for the donor, <i>paid by the donor</i> , are not reimbursable under the recipient's HCSA.
	No	When the organ donor is covered by the HCSA, medical care for both the recipient and donor <i>paid by the recipient</i> are not reimbursable from the donor's HCSA.
OTC		See Medicine, over-the-counter .
Over-the-counter		See Medicine, over-the-counter .
Parking		See Transportation .
Paternity test	No	The cost of a DNA test to determine paternity is not a qualified medical expense.
Personal trainer	No	Fees paid to a personal trainer for improvement of general health, even when recommended by a health care professional, are not qualified medical expenses.
Physical exam for caregiver	No	The cost of a physical exam for a potential caregiver is not a qualified medical expense for the HCSA participant.
Premiums		See Insurance premiums .
Prepayment of medical care	No	A prepayment for medical care is not reimbursable. Internal Revenue Service (IRS) guidelines for HCSAs require services to be incurred before expenses can be reimbursed.
Propecia	No	When used for cosmetic purposes (for ex., to treat male pattern baldness), the cost of propecia is not a qualified medical expense.

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Retin-A	No	When prescribed for the effects of aging, the cost of Retin-A is not a qualified medical expense.
Rogaine		See Propecia .
Sperm storage	No	Storage fees paid for non-medical reasons or to preserve the sperm for future generations (such as for genetic information) are not qualified medical expenses.
Stem cell harvesting or storage	No	Storage and harvesting fees paid for non-medical reasons or to preserve the stem cells for future use are not qualified medical expenses.
Student health fee	No	Fees for belonging to the program or as premium for future health care needs are not HCSA-qualified expenses.
Sunscreen	No	The cost of sunscreen and sunblock products with less than SPF 15, or with SPF 15 or higher that do not provide protection against both ultraviolet B radiation (UVB) and ultraviolet A radiation (UVA) are not qualified medical expenses.
Surgery		See Operation ; and Illegal operations and treatments .
Surrogate mother	No	An HCSA participant using a surrogate mother cannot submit medical expenses incurred by the surrogate; the surrogate is not a covered individual under the participant's HCSA.
	No	Fees paid to an agency to search for a surrogate mother are not qualified medical expenses.
Swim lessons/Swim therapy		See Lessons .
Teeth whitening		See Dental, cosmetic .
Telephone	No	The cost of a telephone while in a hospital or treatment center is not a qualified medical expense.
Television	No	The cost of a television while in a hospital or treatment center is not a qualified medical expense.
Toiletries	No	Amounts paid for toiletries (for ex., cologne, dental floss, deodorant, lotion, sanitary napkins, shaving cream, shampoo, soap, tampons, toothpaste, etc.) are not qualified medical expenses. Also see Medicine, over-the-counter .
Toothbrush	No	The cost of a toothbrush (including a specialized or battery-powered toothbrush), even when recommended by a dentist for a medical condition, is not a qualified medical expense.
Transplant		See Organ donor .
Transportation	No	Regular commuting costs for an individual with a physical disability

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		are not qualified medical expenses.
Tuition	No	Medical coverage premiums attached to college or private school tuition, even if listed separately, are not HCSA-qualified expenses.
Varicose vein surgery	No	The cost to remove varicose veins for cosmetic purposes is not a qualified medical expense.
Veneers		See Dental, cosmetic .
Weight loss drug	No	The cost of a weight loss drug associated with general weight loss, even when recommended by a health care professional, is not a qualified medical expense.
Weight loss program	No	The cost of a weight loss program associated with general weight loss, even when recommended by a health care professional, is not a qualified medical expense.