

* Tax-subsidized Medical Expenses

Even though you have received a tax deduction by putting your money into this account (HSA), **the money is still yours to spend tax free**, as long as you spend it on qualified medical expenses (Internal Revenue Code Section 213). Since you have a high-deductible plan, this would of course include any expenses you incur from going to the doctor, purchasing prescription drugs, or paying other expenses toward your deductible. Once your deductible is met, the health insurance covers your medical expenses as defined in the policy.

In addition to being able to withdraw your money tax free to cover these types of expenses (which might otherwise be covered by a traditional low-deductible high-premium policy), you can use your HSA account to cover other costs that would not normally be covered by a health insurance policy.

These include:

- **Dental expenses.** Individuals can typically only purchase dental discount plans, or fairly expensive dental policies with a limited choice of dentists. Coverage for braces is normally very limited. However, any of these medically necessary procedures can be paid for from your HSA.
- **Mental therapy.** This includes the charges of psychiatrists, psychologists, psychoanalysts, and psychotherapists.
- **Physical therapy.** This could include hydrotherapy, chiropractor services, or medical massage therapy.
- **Alternative treatments.** This could include acupuncture, Ayurvedic Medicine, aromatherapy, homeopathy, Traditional Chinese Medicine (TCM), nutritional consulting, or even healing services provided by a Christian Science Practitioner or other type healer.
- **Transportation and lodging expenses,** when related to health care.
- Charges incurred as part of a **preventive health program.** This could include vaccines, blood tests, metabolism tests, and other lab tests, and even fees paid to a health institute or vitamins if prescribed by a doctor.
- **Nonprescription medications,** such as aspirin or cough syrup.
- Special **fees incurred by handicapped individuals,** including wheelchairs, telephone or TV equipment to assist the hard-of-hearing, the cost and care of guide dogs, or special school costs for the handicapped.
- **Maternity expenses** that are not covered by your health insurance policy.
- [Insurance premiums to pay for qualified long-term care.](#)

Also note that the HSA can be used to pay these expenses for any spouse or dependent member of the family, *even if they are not covered under the insurance policy.*

* *Primary resource material obtained from HSA for America.*