



Know Your Benefits

HSA Eligible Expenses Expanded

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (CARES Act) was signed into law. In addition to providing direct financial assistance to Americans, the CARES Act repeals the Medicine Cabinet Tax provision of the Affordable Care Act (ACA), expanding the list of qualifying expenses that can be purchased with health savings accounts (HSAs).

In addition, according to [a recent announcement](#) from the Internal Revenue Service (IRS), some personal protective equipment (PPE) expenses incurred for any period beginning on or after Jan. 1, 2020—including masks, hand sanitizer and sanitizing wipes used for the primary purpose of preventing the spread of COVID-19—are deductible medical expenses if certain requirements are met.

Updated Qualifying Medical Expenses

The definition of a qualifying medical expense now includes certain over-the-counter (OTC) medications and products, and qualifying PPE expenses.

Examples of expenses that are now eligible medical expenses include, but are not limited to, the following:

- Allergy medicine
- Analgesics (e.g., vaporizing rub)
- Anti-diarrhea medicine
- Anti-gas, Antacid

- Antihistamines
- Anti-inflammatory medication
- Aspirin
- Bandages
- Burn treatments, OTC
- Calamine lotion
- Cold and flu medicine
- Cold sore remedies
- Cold/hot packs
- Condoms
- Contact lens solutions/cleaners
- Cotton balls (sterile)
- Cough drops, cough suppressants
- Decongestants
- Diaper rash treatments
- Elastic wraps
- Expectorants
- Eye drops (nonmedicated)
- Feminine hygiene products
- Fiber laxatives
- First-aid kits
- Heating pads
- Hemorrhoid treatments

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- Insect bite/sting medicine
- Medicated lip balm/cream
- Menstrual pain relievers
- Nicotine patches, gum and lozenges
- OTC pain relievers
- PPE used for the primary purpose of preventing the spread of COVID-19, such as:
 - Masks
 - Hand sanitizer
 - Sanitizing wipes
- Pregnancy test kits
- Prenatal vitamins
- Reading glasses
- Stomach remedies
- Sunburn treatments
- Sunscreen
- Thermometers
- Throat lozenges/cough drops

Please note, this list is not all-encompassing. For more information on your medical spending account, please contact your plan administrator.

Source:

www.irs.gov/publications/p502/ar02.html#en_US_publink1000178947, www.congress.gov/bill/116th-congress/senate-bill/3548/text#toc-HC8C9461E6EB94BA89FCB4673D46FDC9F and <https://www.irs.gov/pub/irs-drop/a-21-07.pdf>