

Eligible/Ineligible Medical Expenses

The following are some examples of expenses eligible for reimbursement or itemized deductions.

Note: The IRS or the tax courts specifically has approved the following expenses. This list includes some of the expenses that may already be covered to some extent by your medical and dental plan.

- Abortions
- Acupuncture
- Ambulance service
- Artificial limbs
- Braces
- Braille-Books & magazines
- Chiropractors' fees
- Crutches
- Eyeglasses-including exams
- Fertility treatment
- Guide dogs
- Hearing care and aids
- Hospital bills
- Immunizations
- Lamaze classes
- Nursing homes
- Obstetrical expenses
- Oxygen
- Prosthesis
- Psychoanalysis
- Psychologists' fees
- Routine physical exams
- Social Workers (licensed)
- Sterilization fees
- Alcoholism or addiction treatment
- Christian Science practitioner's fees
- Contact lenses-including exam fee
- Deductibles & co-payments (the portion of expenses you pay).
- Dental/orthodontic fees (except cosmetic procedures).
- Developmentally disabled person cost for special home care
- Diagnostic X-ray and laboratory fees.
- Doctor of osteopathy (DO) and podiatrist (DPM).
- Doctor's fees, including a medical doctor (MD)
- Drugs (*insulin & prescriptions drugs only*) and medical supplies
- Expenses in excess of usual and customary coverage limits such as hospital private room charges above the semi-private room rate
- Handicapped person's special schools
- Nurses' fees (including nurses' board and Social Security tax where paid by employer)
- Prescription birth control pills and devices.
- Special equipment (such as a hand control installed in a car for use by a disabled person).
- Surgical fees (except cosmetic surgery).
- Therapy treatments (medical).
- Tuitions at special schools for disabled people.

The following are some examples of expenses **NOT** eligible for reimbursement or itemized deductions.

- Contributions to other medical plans (125 only).
- Cost of non-prescription drugs, unless you have a Doctor prescription, or illegal drugs.
- Cost of special foods taken as a substitute for regular diet, where the special diet is not medically necessary or taxpayer cannot justify cost in excess of cost of a normal diet.
- Fee for exercise, athletic or health club memberships unless written prescription by doctor.
- Health Club Dues: Nondeductible unless related to a specific condition.
- Insurance against loss of income, life, limb or sight.
- Most cosmetic surgery and other similar procedures.
- Non-medical expenses, such as electronic filters, whirlpools or exercise equipment prescribed by a physician for treatment of a specified medical condition.

*This information should be used as a guideline. Specific questions regarding this "Biz Facts" should be directed to a Business by Design, Inc. tax professional.