

## Which medical expenses can be paid for with tax-deductible VEBA funds?

The following is a partial list of eligible/potentially eligible/ineligible medical expenses. If you have any questions about an item's eligibility, please contact Further customer service at 1-800-859-2144.

For over-the-counter expenses, see the **Over-the-Counter Eligibility List**.

### Eligible medical expenses

Abdominal supports	Diabetic supplies (e.g., insulin, syringe, monitor, insulin pump)	Organ transplant (including donor's expenses)
Abortion	Drug addiction/substance abuse treatment	Orthodontics
Acupuncture	Embryo, egg and sperm storage fees	Orthopedic inserts
Alcoholism treatment	Eye exams	Oxygen and oxygen equipment
Ambulance	Eye surgery (laser or radial keratotomy)	Physical exams (routine, medical, well-child)
Arch supports	Eyeglasses – prescription sunglasses/safety glasses	Physical therapy
Artificial limbs	Eyeglasses – reading	Prenatal/postnatal exams
Asthma treatments/nebulizer	Fertility treatments (e.g., artificial insemination, egg donor fees, in vitro)	Prescription drugs (prescription drugs imported from other countries are not covered)
Bariatric surgery	Flu shots	Preventive care screenings (e.g., mammogram, colonoscopy)
Blood pressure monitoring devices	Fluoridation treatment at a dental office	Prosthesis
Body scans (e.g., MRI, CAT Scan)	Gambling addiction treatment	Psychiatric care
Brace (e.g., knee, back, wrist)	Group therapy (for patient)	Shipping and handling fees for eligible expenses
Breast pumps	Hearing tests and aids	Sleep study
Childbirth/lamaze classes (related to birth)	Home health care	Smoking cessation medications/programs
Chiropractic treatments (e.g., adjustments)	Hot and cold packs	Speech therapy
Circumcision	Immunizations	Taxes paid for eligible expenses
Coinsurance amounts (health, dental or vision)	Individual counseling (counseling must be performed to alleviate or prevent a physical or mental defect or illness)	Transportation expenses relative to health care (corresponding medical documentation requested)
Contact lenses (corrective)	Insurance premiums*	Tubal ligation/tubal ligation reversal
Contact lens solution	Lab tests	Vaccinations
Convalescent home (for medical treatment only)	Long Term Care Premiums	Varicose veins, treatment of
Copayments (health, dental or vision)	Mastectomy-related special bras	Vasectomy/vasectomy reversal
Cotton balls (sterile)	Medical records charges	Walkers/canes (purchase or rental)
C-PAP machine and supplies	Mental health treatment facility	Wheelchair (purchase or rental)
Crutches (purchase or rental)	Nutritional consultation	X-rays
Deductibles (health, dental or vision)	Occlusal guards to prevent teeth grinding	
Dental procedures, non-cosmetic (e.g., X-rays, fillings, extractions, crowns, implants)	Oral surgery	
Dentures		
Denture adhesive		

**\* Active employee VEBA accounts can reimburse stand alone insurance policy premiums like dental, vision, or other benefits policies not under guidance by the Affordable Care Act.**

## Potentially eligible medical expenses (requires Letter of Medical Necessity from health care provider)

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Air conditioner (capital expense)	Group therapy for family member	Medical conference admission and transportation (excludes meals and lodging)
Air purifier (potential capital expense)	Guide dog/service animal (purchase, care for, training)	Mentally handicapped residential or group home
Athletic club membership	Herbal treatments	Orthopedic shoes
Automobile modifications (capital expense)	Holistic or natural healers consult	Personal trainer fees
Behavioral modification programs	Home improvements (e.g., exit ramps, widening doorways) (capital expense)	Prescription drugs that also have a cosmetic purpose (e.g., Retin-A, Rogaine, Botox, Propecia)
Breast reconstructive surgery	Hormone replacement therapy (HRT)	Special education costs for dependents with disabilities
Breast reduction surgery that is medically necessary	Household products/improvements to treat allergies	Stem cell, harvesting and/or storage of
Cosmetic surgery (for repair or reconstruction after accident or surgery or for correction of birth defect)	Lactation consultant	Telephone/television equipment for hearing-impaired persons
DNA collection and storage	Lead-based paint removal	Umbilical cord, freezing and storing of
Dyslexia testing and instruction	Learning disability treatment	Weight loss program (if prescribed by a physician for a specific medical condition – excludes food)
Elevator (capital expense)	Lodging (away from home for outpatient care – special rules may apply)	Wigs
Exercise equipment or programs	Manual therapy	
Fluoridation device	Massage therapy	
Food thickeners		
Genetic testing		

## Ineligible medical expenses

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Birthing tubs	Illegal operations and treatments	Prepayments
Bottled water	Illegally obtained drugs	Prescription drug discount program fees
Braille books/magazines	Late fees (e.g., for late payment of bills for medical services)	Prescription drugs and medicines imported from other countries
Cleaning service	Lodging while attending a medical conference	Special foods/beverages
Cosmetic surgery and procedures	Marijuana or other controlled substances in violation of federal law	Sports training and activities
Cosmetics, hygiene products and similar items	Marriage counseling	Surrogate expenses
Dancing lessons	Maternity clothes	Swimming lessons
Diapers or diaper service	Meals	Swimming pool and maintenance
Diet foods	Medical newsletter	Tanning salons and equipment
Ear or body piercing	Missed appointment fees	Teeth whitening
Electrolysis or hair removal	Mouthwash	Transportation costs of disabled individual commuting to and from work
Feminine hygiene products (e.g., tampons)	New parent/newborn child care classes	Travel for general health improvement
Funeral, cremation or burial expenses	Non-prescription eyeglasses, sunglasses, safety glasses or contacts	Veneers
Hair colorants		
Hair transplants		
Household help		

## Eligible medical expense

Medical expenses that can be reimbursed through your VEBA include services and supplies incurred by you or your eligible dependents for the diagnosis, treatment or prevention of disease or for the amounts you pay for transportation to get medical care.

In general, deductions allowed for medical expenses on your federal income tax according to Internal Revenue Code Section 213(d) may be reimbursed through your VEBA. You cannot deduct your medical expenses on federal income tax that have been reimbursed through your VEBA. It is possible that changes in the IRS rules can affect the eligible, potentially eligible, and/or ineligible expense categories.

## Potentially eligible medical expenses

In order to determine eligibility for potentially eligible items, Further requires a Letter of Medical Necessity from your health care provider. You can obtain a Letter of Medical Necessity to have your health care provider complete at [hellofurther.com](http://hellofurther.com).

## Capital expense

A capital expense is an improvement and/or special equipment added to a home or other capital expenditure that may be eligible if the primary purpose is medical care. A Letter of Medical Necessity is required from your health care provider. To submit your capital expense, you must have an appraisal of your home within one year prior to the installation and an appraisal after the installation to determine the value added to the home. The amount eligible is the difference between the cost of the expense and the increase in the additional value of your home. If the improvement/special equipment is used by individuals other than the person needing it for medical care, the eligible amount should be divided by the number of people using the item. Example: A ramp is purchased for \$3,000 and prior to installation your house is appraised at \$100,000. After installation of the ramp your house is appraised for \$101,000. The amount that is eligible under your VEBA is \$2,000.

For assistance in calculating capital expense, the Capital Expense Worksheet is available at [hellofurther.com](http://hellofurther.com). If you have questions about a capital expense, please contact customer service for a more detailed explanation.