



IABLE

Institute for the Advancement
of Breastfeeding & Lactation Education



Healthcare Accounts & Expenditures for Human Milk Feeding Supplies

What are Healthcare Accounts?

Healthcare accounts are tax-advantaged accounts that you can use to pay for qualified medical expenses. There are 3 main types of healthcare accounts – HSAs, FSAs, and HRAs. There are annual limits to contributions and restrictions to what the funds can be used for. You can find a comparison of these 3 types of accounts on [this website](#).

What is an HSA?

A Health Savings Account (HSA) is an account in your name. You can take it with you when moving between jobs. You, your current employer, or your family members can contribute to it if you are on a high deductible insurance plan. Funds in the account are not subject to income tax. These accounts remain in your name even if you leave a job and you can contribute as long as you are considered to be on a high deductible insurance plan.

What is an FSA?

A Flexible Spending Account (FSA) is a tax-advantaged financial account set up through an employer. It allows an employee to set aside a portion of their earnings to pay for certain medical expenses. Employees and employers can contribute to this account. The money set aside is not subject to payroll taxes. The funds may be forfeited back to the employer and these accounts do not go with you if you leave your job.

What is an HRA?

A Health Reimbursement Arrangement (HRA) is an employer owned and employer funded account. The employer can determine what these funds can be used for. This money is not subject to taxes. If you leave your job, the funds remain with your employer.

What Can I Use These Funds For?

According to the IRS, qualified medical expenses include breast pumps and supplies that assist lactation.

They may NOT be used for maternity clothes, nonprescription drugs and medicines, and nutritional supplements, unless they are prescribed by a physician to treat a medical condition.

If you need to purchase herbs or other over-the-counter medications for lactation, ask your physician to write an order or prescription for these items, so that your healthcare account might cover them.

If you are unsure of what your account covers, contact the bank where the account is currently or contact your employer to determine what expenses are allowed. This is particularly true with the HRA where employers have a greater say in what you may use funds for.