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IRS reminder: Cost of home testing is eligible medical expense; reimbursable under FSAs, HSAs (COVID-19)

The IRS today issued a release as a reminder that the cost of home testing for coronavirus (COVID-19) is an eligible medical expense that can be paid or reimbursed under health flexible spending arrangements (health FSAs), health savings accounts (HSAs), health reimbursement arrangements (HRAs), or Archer medical savings accounts (Archer MSAs) because the cost to diagnose COVID-19 is an eligible medical expense for tax purposes.

In addition, according to today's IRS release—<u>IR-2021-181</u>—the costs of personal protective equipment (such as masks, hand sanitizer and sanitizing wipes) for the primary purpose of preventing the spread of COVID-19 are eligible medical expenses that can be paid or reimbursed under health FSAs, HSAs, HRAs, or Archer MSAs.

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