

# Un-reimbursed Medical Expense Deductions

**\$50,000 - Gross Income**  
**-\$15,000 - Deductions**  
**\$35,000 - Adjusted Gross Income**

- If total un-reimbursed medical expenses exceed 7.5% of **Adjusted Gross Income** the amount that exceeds 7.5% can be deducted.
- In this example, 7.5% of A.G.I. is \$2,625. If the insured had \$10,000 of un-reimbursed expenses the amount that can be deducted would be \$7,375, the amount over \$2,625.
- If at a later time the insurance company does indeed pay these expenses (because of a lawsuit?), the insured must **reclaim** the amount he deducted (the \$7,375).
- Items that may be added up are prescription drugs, insulin, hospital expenses, nursing care, doctors' fees, dental care, rehabilitative treatments, & medical insurance premiums (including long term care)