

National Standards: Out-of-Pocket Health Care

***Disclaimer:** IRS Collection Financial Standards are intended for use in calculating repayment of delinquent taxes. These Out-of-Pocket Health Care Standards are effective on October 1, 2007 for purposes of federal tax administration only. Expense information for use in bankruptcy calculations can be found on the website for the [U.S. Trustee Program](#). For bankruptcy purposes, the effective date for the standards will be January 1, 2008, to allow for the orderly administration of the bankruptcy laws.*

The table for health care expenses, based on Medical Expenditure Panel Survey data, has been established for minimum allowances for out-of-pocket health care expenses.

Out-of-pocket health care expenses include medical services, prescription drugs, and medical supplies (e.g. eyeglasses, contact lenses, etc.). Elective procedures such as plastic surgery or elective dental work are generally not allowed.

Taxpayers and their dependents are allowed the standard amount monthly on a per person basis, without questioning the amounts they actually spend. If the amount claimed is more than the total allowed by the health care standards, the taxpayer must provide documentation to substantiate those expenses are necessary living expenses. Generally, the number of persons allowed should be the same as those allowed as exemptions on the taxpayer's most recent year income tax return.

The out-of-pocket health care standard amount is allowed in addition to the amount taxpayers pay for health insurance.

	Out-of-Pocket Costs
Under 65	\$54
65 and Older	\$144