

## **2855.00.00 REIMBURSEMENTS**

Reimbursements for past or future expenses are exempt if they do not exceed actual expenses and do not represent a gain or benefit. To be exempt, these payments must be specifically intended and used for expenses other than normal living expenses. Normal living expenses include the amount spent on rent or mortgage, personal clothing, and food eaten at home. Any part of the reimbursement amount that exceeds the actual expense is included as income. However, reimbursements are not considered to exceed actual expenses, unless the AG or the provider indicates the amount is excessive.

Reimbursements for normal household living expenses such as rent or mortgage, personal clothing, or food eaten at home are a gain or benefit and, therefore, are included as income. Reimbursements from employers over and above the basic wages for necessary job-related expenses are exempt unless reimbursements are in excess of such job-related expenses and the employee did not return the excess amount to the employer.

**Note: Non-taxable per diems and/or stipends that meet IRS requirements are considered reimbursements and exempt for MAGI (refer to IHCPPM 2810.35.05.05).**