



ADMINISTRATIVE RULES OF MONTANA



2.21.1932 DEFINITIONS

In addition to the definitions found in 2-18-1303, MCA, the following definitions apply to this subchapter:

- (1) "Dependent" means the tax-qualified dependent of the participant as determined under section 105(b) of the Internal Revenue Code, 26 USC 105(b). A tax-qualified dependent includes the participant's spouse recognized under the laws of the state in which the marriage was first established, and any child who has not, as of the end of the taxable year, attained age 27.
- (2) "Eligible to retire" means eligible for benefits from the employer's given retirement system.
- (3) "Employee" means a person employed in a pay status of at least 1040 hours each year. An employee is not an independent contractor or person hired by the employer under a personal services contract, a student intern, an employee employed in a seasonal position, or certain nonresident aliens.
- (4) "Group" means a minimum of five employees employed by the same employer and formed pursuant to ARM 2.21.1937.
- (5) "HRA" means a health reimbursement account to pay qualified health care expenses through employer contributions and investment earnings. The funds must be used for qualified health care expenses until funds are exhausted.
- (6) "Member" means an employee whose work unit voted to establish a group.
- (7) "Participant" means a member who separates from service, and for whom an account is established in the Montana VEBA HRA.
- (8) "Qualified health care expenses" means expenses for a participant or the participant's dependent for medical care, as defined by section 213(d) of the Internal Revenue Code, 26 USC 213(d). Examples of qualified health care expenses are prescription drug costs, hospital and physician charges, and health insurance premiums.
- (9) "Separation from service" or "Separate from service" means the employee retires or otherwise terminates employment and includes a voluntary or involuntary separation from service. The separation from service must be a separation from the employer. If the separation is a transfer within the same public entity, plan eligibility is based on the employee's position in the new group and the group criteria. If the separation is a transfer to another public entity without a Montana VEBA HRA group, the employee receives any remaining leave as provided by the employer's leave policy.

Authorizing statute(s): 2-18-1305, MCA

Implementing statute(s): 2-18-1303, MCA

History: NEW, 2005 MAR p. 911, Eff. 4/29/05; AMD, 2013 MAR p. 1083, Eff. 6/21/13; AMD, 2019 MAR p. 2011, Eff. 11/9/19.