



ADMINISTRATIVE RULES OF MONTANA



2.21.1933 MONTANA VEBA HRA ADMINISTRATION

- (1) The department shall:
 - (a) provide educational presentations about the Montana VEBA HRA upon request;
 - (b) review and approve requests to become a contracting employer;
 - (c) evaluate, modify as necessary, and approve a contracting employer's proposal for group structure;
 - (d) develop a plan for administration of the Montana VEBA HRA;
 - (e) enforce group participation requirements in ARM 2.21.1937 and applicable nondiscrimination requirements in section 105(h) of the Internal Revenue Code, 26 USC 105(h) by not allowing discriminatory groups to form or to continue to exist;
 - (f) establish a procedure to receive and deposit employer contributions consistent with this subchapter and applicable federal laws;
 - (g) establish claims adjudication procedures consistent with applicable laws;
 - (h) provide accounting and recordkeeping of all participant accounts;
 - (i) ensure the Montana VEBA HRA operates to preserve its tax-exempt status and that no part of the net earnings or trust assets inure to the benefit of any one participant, other than by payment of qualified health care expenses and reasonable administrative expenses; and
 - (j) determine investment vehicles available for participant account funds in the Montana VEBA HRA.
- (2) Contracting employers shall:
 - (a) allow educational presentations;
 - (b) define groups and enroll eligible members;
 - (c) determine the sources of employer contributions available to a group. Allowable sources may include sick leave cash-outs, annual vacation leave cash-outs to the extent permitted by state statute, and other sources not prohibited by state statute;
 - (d) determine whether current employees are members of an existing group and notify employees of any change in status;
 - (e) notify an employee hired into a plan-eligible position of the employee's change in status to a member;

- (f) notify the department when an employee becomes a member; and
 - (g) notify existing members 30 days before the group's anniversary date to vote.
- (3) An employer shall provide to the department, or the appropriate administering entity, the information necessary to operate the plan and establish the employer as a contracting employer. The department, in partnership with a contracting employer, shall provide to the employees the information to actively participate in a Montana VEBA HRA group.
 - (4) The department may delegate all or a portion of its administrative duties in this rule to an administrator.
 - (5) The department shall exercise its administrative duties in a uniform, nondiscriminatory manner, having all necessary power and discretion to accomplish those purposes.

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

Implementing statute(s): 2-18-1309, 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.