

DEPARTMENT OF REVENUE

Taxation Division

INCOME TAX

1 CCR 201-2

Rule 39-22-504(6).

- (1) ~~**Employer as Account Administrator.** In order to be a medical savings account administrator, an employer must establish or have established and must maintain a self-insured health plan meeting the requirements of the federal "employee retirement income security act", as amended.~~
- (a) ~~Such plan must meet the definition of an "employee welfare benefit plan" as defined in Section 3(1) of the federal Employee Retirement Income Security Act of 1974. (29 U.S.C., Section 1002).~~
- (b) ~~Such plan must meet the coverage requirements of Section 4 of the federal Employee Retirement Income Security Act of 1974. (29 U.S.C., Section 1003).~~
- (c) ~~With respect to such plan, the employer must be subject to the filing with the United States Secretary of Labor requirements and to the furnishing information to participants requirements of Section 101 of the federal Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1021).~~
- (d) ~~The administration of such plan must comply with the fiduciary responsibility requirements of Part 4 of the federal Employee Security Act of 1974 (29 U.S.C., Sections 1101-1114).~~
- (4) ~~**Eligible Medical Expense.**~~
- (a) ~~Eligible medical expense means expense for the medical care of the account holder, the spouse of the account holder and the dependent children of the account holder as such term is defined in section 213(d) of the Internal Revenue Code.~~
- (b) ~~Premiums paid in a health insurance policy purchased by the account holder to cover the medical expenses not covered by a health insurance plan furnished to the account holder by his employer because of the deductible feature in such plan do not qualify as eligible medical expenses. 39-22-504.6(2.4) C.R.S. notwithstanding.~~
- (5) ~~**Employee.** Employee means an individual who is employed in Colorado by an employer other than the United States government and on whose behalf a medical savings account is established.~~
- (6) ~~**Employer.** Employer means an employer doing business in Colorado other than the United States government.~~
- (7) ~~**Medical Savings Account.** Medical savings account means a savings account established under the provisions of section 39-22-504.7. C.R.S. to pay eligible medical expenses of the account holder, the spouse of the account holder and the dependent children of the account holder.~~

(8) ~~Qualified Higher Deductible Health Plan.~~ Qualified higher deductible health plan means health insurance with a deductible feature not in excess of \$3,000 purchased by an employer for the benefit of an employee who makes deposits into a medical savings account.