

Human Resources
(575) 835-5206

TO: All Employees
FROM: Angie Gonzales, Associate Director of Human Resources / *Angie*
DATE: November 7, 2019
SUBJECT: Flexible Spending Account (FSA) Open Enrollment

The Open Enrollment for the 2020 Flexible Spending Account (FSA) plan year will run from November 7th through December 13, 2019.

Regular and temporary full-time employees and regular part-time employees enrolled in the health insurance plan are eligible.

In general, once an election becomes effective, it can't be changed until the next plan year; however, there are a few exceptions to the rule. The most common exception is called a "change in status." When you have a change in status, you may revoke your election and submit a new election for the remainder of the plan year ***if the election change is "consistent" with the change in status event.*** You have 30 days following the status change to submit a new election, and the new election will be effective after it is received by HR.

Change in Status Events

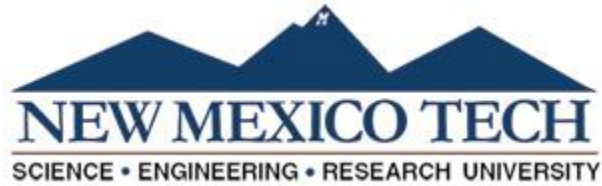
- legal marital status (i.e., marriage, divorce, legal separation or annulment)
- number of dependents (i.e., birth, adoption, death of a spouse or other dependent)
- employment status of you, your spouse or a dependent (i.e., termination or commencement of employment, strike, leave of absence and other employment change) that affects benefit eligibility
- dependent satisfies or ceases to satisfy the eligibility requirements of a plan (i.e., the dependent reached limiting age for coverage, or student status changes)

Maximum election for Healthcare FSA increases for 2020

The maximum salary reduction election amount is increasing by \$50 – the maximum election for 2020 is \$2,750. The plan year begins January 1st and ends December 31st.

The Dependent Care FSA maximum is \$5,000 per household, or \$2,500 if you are married but filing your taxes separately. It is very important that you make these choices carefully based on what you expect to spend on each expense during the Plan Year.

Over-The-Counter (OTC) drugs and medicines are no longer eligible without a prescription. Health Care Reform expanded the definition of eligible dependents to whom the federal tax exclusion for medical care applies, and adds a mandate that "group health plans" cover adult children up to age 26.



Changes regarding OTC drugs and medicines...

Expenses incurred for medicines or drugs may be paid or reimbursed by a Health FSA or HRA, only if:

- The medicine or drug requires a prescription
- It is available without a prescription (an over-the-counter medicine or drug) and the individual obtains a prescription, or
- Is insulin

A prescription is a "written or electronic order for a medicine or drug that meets the legal requirement of a prescription...that is issued by an individual who is legally authorized to issue a prescription in that state".

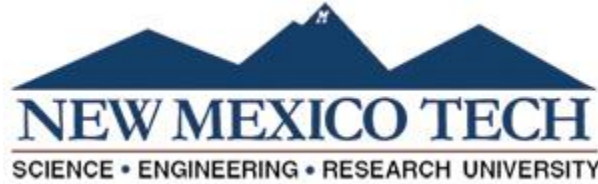
The prescription requirement does not apply to non-medical OTC items, "including equipment such as crutches, supplies such as bandages, and diagnostic devices such as blood sugar test kits."

How Do I Get Reimbursed?

You can submit a claim form by the 17th of each month and supporting documentation to be reimbursed. Claim forms are available at <http://www.nmt.edu/hr/policies.php>. The claim documentation must include the following:

- Provider's name;
- Amount of expense;
- Date & description of service;
- Name of person receiving the service; and Insurance payment, if applicable.

Your FSA enrollment form must be returned to Human Resources by **December 13, 2019**. Please call X5643 or come by if you have any questions.



2020 Flex Enrollment Form

Name _____ Social Security # _____

Address _____

I hereby elect to participate in the Flexible Benefits Plan from January 1, 2020 to December 31, 2020 and have a Flexible Spending Account established for the following qualifying expenses:

Eligible Health Care FSA \$ _____ Annually
Your contributions will be deducted from your pay on a before tax basis.
(Total cannot exceed \$2,750)

Dependent Care FSA \$ _____ Annually
Your contributions will be deducted from your pay on a before tax basis.
(Total cannot exceed \$5,000 or \$2,500 for married individuals who file a separate return)

DO NOT INCLUDE AMOUNTS OF ANY OF YOUR HEALTH, DENTAL AND/OR VISION PREMIUMS AS PART OF THIS FIGURE

This election is irrevocable during 2020 except for changes in my family circumstances as defined in the Plan.

I agree that New Mexico Institute of Mining & Technology may change or suspend the reduction of my compensation if the Internal Revenue Service, through legislation or restrictive regulation, limits or prohibits salary reduction under Section 125 of the Internal Revenue Code.

I hereby release New Mexico Institute of Mining & Technology from all present and future rights or claims to any sums reduced from my salary and used for reimbursement of eligible expenses in accordance with the provisions of the Flexible Benefits Plan.

I understand that reduced amounts of taxable compensation, which are not utilized for benefits under this Plan, are forfeited.

Further, I accept responsibility for the proper treatment of benefits paid under this Plan with respect to all individual income tax reporting.

Employee Signature

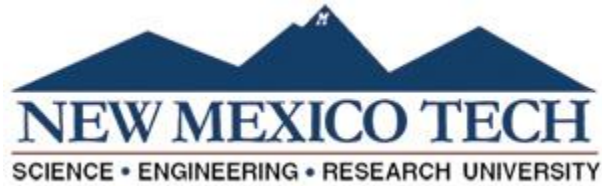
Date

Employer Use Only

pay-periods _____

ME _____

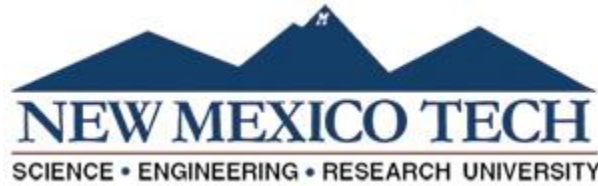
DC _____



ELIGIBLE EXPENSES - Health Care Reimbursement Account

In general, eligible expenses are those expenses you incur for medical care. Medical care means diagnosis, care, treatment or prevention of disease. Expenses incurred by you, your spouse or your other eligible dependents that are not reimbursed from another source (such as insurance) are eligible for reimbursement

- Acupuncture
- Alcoholism - payment to treatment centers
- Ambulance
- Artificial limbs
- Braille - books or magazines (excess cost over Non-Braille materials)
- Breast Pump and associated parts
- Chemical Dependency treatment
- Chiropractor's fees
- Crutches
- Dental treatment (inc. dentures, *orthodontia*)
- Doctor's fees (licensed medical practitioner)
- Diagnostic fees
- Guide dog and its upkeep
- Hearing aids and batteries
- Hospital services
- Insulin
- Insurance deductibles/co-payments
- In-vitro fertilization fees
- Laboratory fees
- Laser Eye Surgery
- Naturopathic Services
- Nursing Services
- Orthotic devices (if custom molded)
- Osteopathic fees
- Osmotic supplies
- Over-the-counter items (**non-medical**)
- Physical exams
- Pregnancy kits / Ovulation predictors
- Prescription drugs and medical supplies that are not otherwise excluded
- Psychologist fees
- Sterilization fees (or reversal)
- Surgical fees
- Therapy received as medical treatment
- Tuition at special school for handicapped
- Vision Expenses, including prescription glasses, contact lenses and cleaning supplies
- Weight-loss medications & programs (ONLY if to treat diagnosed medical condition)
- Wheelchair
- X-rays



INELIGIBLE EXPENSES - Health Care Reimbursement Account

- Birthing Classes/Lamaze/Doula services
- Breast pump accessories (i.e. special bottles, labeling lids, etc.)
- Chiropractic Service Agreements/Wellness Programs/Supplements
- Cosmetic prescriptions, procedures, supplies
- Court ordered exams/treatment
- Dental Bleaching & Veneers
- Diapers
- Exercise Equipment / Programs
- Expenses for which there is no diagnosis
- Family & Marriage Counseling
- Frames w/out prescription lenses
- Health Club Dues
- Infant Formula
- Insurance Premiums
- Naturopathic Supplies & Supplements
- Nutritional Supplements
- Special Bedding/Household Appliances
- Special Foods, even if medically necessary
- Toiletries
- Toothbrush/Toothpaste/Floss
- Vision Service Agreements
- Vitamins, one-a-day multiple
- Weight-loss medications & programs for general health

AND any other items that are primarily for personal use and/or general health

OTC medicines & drugs, with the exception of insulin and diabetic supplies are ineligible. The OTC items affected include those in the following categories:

- Acid controllers
- Allergy & Sinus
- Antibiotic products
- Anti-diarrheals
- Anti-gas
- Anti-itch & insect bite
- Antiparasitic treatments
- Baby rash ointments/creams
- Cold sore remedies
- Cough, cold & flu
- Digestive aids
- Feminine anti-fungal/itch
- Hemorrhoidal preps
- Laxatives
- Motion sickness
- Pain relief
- Respiratory treatments
- Sleep aids & sedatives
- Stomach remedies



NON-MEDICINAL OTC items will remain as follows:

- Bandages
- Carpal tunnel wrist support
- Contact lens supplies and solutions
- Condoms
- Crutches
- Diabetic supplies
- Diagnostic equipment (e.g. blood pressure monitors, blood sugar test kits, etc)
- Gauze pads
- Hot/cold packs for injuries
- Incontinence supplies
- Nasal strips
- Ovulation predictors
- Pregnancy tests
- Reading glasses
- Thermometers

In general, OTC's are reimbursable in "reasonable" quantities. You should therefore only purchase and submit quantities that could reasonably be used to treat a presently-existing or imminently probable condition. Similar to a three-month supply of prescriptions, a good rule of thumb is three packages.

You must be able to provide adequate documentation to verify the eligibility of the item. **Detailed cash register receipts are acceptable documentation.** The receipts **MUST** contain the date, dollar amount, and specific product name in order to be considered for reimbursement. No miscellaneous (i.e., "pharmacy" or "OTC special") receipts will be accepted, even if accompanied by a box-top or label; and a designation by the pharmacy or merchant isn't necessarily enough to verify that an item is eligible. **For OTC medicines & drugs, as shown at the top of the page, remember that you must also include a doctor's prescription in order to have the item considered for reimbursement.**