Frequently Asked Questions

SISC FLEX PLANS

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1. How much money will I save by enrolling in a SISC Flex Plan?

Your savings will be based upon your individual income and tax filings.

2. Does an employee have to enroll in all three SISC Flex accounts?

   Premium Only Plan (POP)
   Health Care Expense Account
   Dependent Care Expense Account

No, each account is totally separate and enrollment in any of the three accounts is optional. An employee may enroll in one, two, all three, or none of the plans.

3. What is SISC’s responsibility for the Premium Only Plan (POP) administration?

SISC Flex does not get involved in the POP portion of this program. The employer only needs to submit a copy of the POP enrollment form to SISC Flex for our records. The employer will simply code the amount being withheld for premium payments as pre-tax. Premiums should be forwarded to the SISC III Health Benefits department as usual.

4. If our employer doesn’t currently require an employee share in the health benefit premium payments, but then changes Oct 1st with the SISC III plan year, can employees enroll in the POP program at that time?

Yes.

5. Can participants make changes to their Dependent Care Expense Account mid-year?

Yes, this plan will allow a mid-year change due to a qualifying event such as a change in provider or rates. Please contact your employer, the SISC Flex office or refer to your SISC Flex Plan document for more information.

6. Does a day camp qualify as a dependent care expense?

Yes, if it allows the parent to work.

7. Does private school qualify as a dependent care expense?

Private pre-school qualifies because it allows the parent to work, but kindergarten and grades above do not qualify.

8. Does it have to be a licensed daycare facility?

No, but the daycare provider will have to provide a tax identification number, or social security number.

9. My day care provider requires payment on the first of the month to pay in advance for that month. May I submit my receipt for payment on the 1st and be promptly reimbursed?
You may submit your receipt for proof of payment but federal regulations allow reimbursement only after day care services have been provided. Reimbursement will be processed after the time period has elapsed, and the monthly deposit from the qualified employer is received.

10. Must participants be in the SISC Health Plan to participate in the Dependent Care or Health Care Expense Accounts?

No, however the employee must be employed by a Qualified Employer (SISC III member district) who is eligible to participate in any benefits offered under the SISC Flex Plan.

11. Since the Health Care/Dependent Care Expense plans are on a calendar year basis (Jan–Dec), when would open enrollment be?

The open enrollment period is determined by your employer. We recommend an open enrollment period no sooner than September, but no later than November.

12. What will the employer’s monthly responsibilities be?

SISC Flex will send a monthly report to the employer for verification. The employer will make any necessary changes to the report (adds, changes, etc.), then send the report back to SISC Flex with a check and a copy of any change forms. 

Note: Change forms should be submitted prior to effective date.

13. What happens to funds in an account that are left and no claim for reimbursement is submitted?

Eligible claims for expenses incurred during the plan year, or the HealthCare 2 1/2 month grace period immediately following the plan year end, must be received in the SISC office within 90 days after the end of the plan year. SISC will send out reminder notices to participants to notify them of a remaining account balance. Participants can also access their account balance anytime through the SISC FLEX web site.

The IRS has imposed strict regulations for the use of forfeited money. Generally, the funds are used to defray the costs for administering the plan. Any funds left in the account, unclaimed, will be forfeited to SISC. This will help offset the risk SISC assumes when paying a claim that is not covered by sufficient funds in the account (due to employee termination, etc.). Unclaimed fund balances will also help offset administrative expenses to allow SISC to continue to offer this plan as a free service to employers and employees.

14. Why should I use a Health Care Expense Account for reimbursement rather than deducting the expenses on my income tax return?

Only medical expenses that exceed 7.5% of your Adjusted Gross Income (AGI) can be deducted on your income tax form. Health Care Expense Accounts are federal tax free from the first dollar; you do not have to meet the 7.5% AGI threshold before receiving the tax savings. Money set aside through a is also exempt from FICA taxes. This exemption is not available on your federal income tax return.

15. Does this Health Care Expense Account replace my medical plan?

No. This plan offers you a means to pay for eligible out-of-pocket medical, dental, and vision care expenses with pretax money. You should first submit your claims to your health care plans so that they can pay according to the plan limits. Then, the remaining out-of-pocket eligible expenses can be submitted to your Health Care Expense Account.
16. My employer doesn’t provide dental and/or vision benefits. Can a Health Care Expense Account help me?

Most definitely. When you incur an eligible dental or vision expense, simply submit your supporting documentation with an FSA claim form. Your claim will usually be processed within ten (10) business days, and a reimbursement check will be sent to you for eligible expenses.

17. Can the Health Care Expense Account pay my doctor directly?

No, payment is made to the participant only.

18. Are expenses that are reimbursed by my Health Care Expense Account eligible to be deducted on my tax return as a medical expense?

No, because you have already received reimbursement with tax-free dollars. Only expenses not reimbursed through an insurance plan or a Health Care Expense Account may be claimed on your income tax return.

19. Can participants make changes to their Health Care Expense Account mid-year?

Please check with your employer, the SISC Flex Office, or the SISC Flex Plan document regarding acceptable change-of-status events. Basically, it’s the same types of events that allow changes to your health benefits plan: marriage, divorce, birth of a child, etc.

20. What happens if I retire or terminate employment with the employer mid-year?

Under IRS regulations you would be able to submit claims for reimbursement of expenses incurred prior to your termination/retirement date. Expenses incurred after you leave your employer are not eligible for reimbursement.

21. What are the requirements and deadlines for submitting claims?

Claim documentation requirements:

▶ For prescription drugs, attach a legible receipt from the service provider, which includes the: 1) Date prescription was purchased; 2) Drug name and prescription number, or the Rx label; 3) Amount of purchase; 4) Name of the pharmacy; and 5) Patient name. The Rx ticket typically contains all required information.

▶ For medical, dental, vision and other health care expenses, documentation must include a legible copy of the provider’s itemized statement of the charges including: 1) Provider’s name and address; 2) Date of service or purchase; 3) Description of service or product; 4) Amount charged for service or product; and 5) Patient name. A copy of the Explanation of Benefits (EOB) is acceptable and preferred.

▶ For eligible over-the-counter (OTC) expenses, the item must be clearly defined on the receipt indicating: 1) Date of purchase; 2) Amount of purchase; 3) Name of the product; and 4) Merchant name and address. If the item is abbreviated on your receipt, you must attach a photocopy of the package label showing the full product description. OTC drugs and medicines must be prescribed.

Incomplete claim forms or supporting documentation may delay processing or result in a denied claim.
Deadlines for submitting manual claims:
The SISC flex plan year is January 1st through December 31st each year. Participants have 90 days (run out period) following the end of the plan year to file claims for the current year. Expenses for all claims must be incurred during the current plan year. You have a grace period of 2 1/2 months following the plan year end (March 15th) to incur HealthCare expenses associated with that plan-year. All claims and supporting documentation must be received by the SISC office no later than March 31st in order to be considered filed during the run-out period.

Deadlines for submitting documentation for SISC Flex card charges:
Expenses charged to your SISC Flex card must be substantiated within 40 days or your card will be suspended. Shortly after you use your card, you will receive a notice from the SISC office requesting the required documentation. Please read this information carefully and submit the necessary paperwork as soon as possible. If you are unsure about what documentation is needed, please call the SISC office for assistance.