

SISC FLEX PLAN
Information for District Payroll/Personnel Staff

1. Effective Date

Your district's Board Resolution determines the Effective Date of the plan. The Effective Date must be on the first day of a calendar month. Contribution deductions should begin the month the plan is effective (e.g. Effective Date is January 1, 2006 means deductions would begin on the first paycheck with an issue date of January 1, 2006 or later.)

The SISC Flex plan operates on a calendar year basis, January 1 through December 31. If the Effective Date is other than January 1, the initial term shall be a period shorter than a full twelve month plan year, commencing on the Effective Date and ending December 31 of the same calendar year. Also, if the plan begins on a date other than January 1, the contributions to the plan must be appropriately prorated according to the number of pay periods remaining in the year.

2. Forms – Please forward all completed/processed forms to the SISC Flex office by November 30th each year for open enrollment. For new districts participating in the plan, forms must be received by SISC Flex office 21 days prior to their effective start date.

A. Premium Only Plan (POP) Enrollment Forms

(A POP form is only needed if a district requires employees to pay all or part of their SISC medical premium. Only the initial POP enrollment form is required, continuous participation in the POP account is automatic for future years.)

B. Health and Dependent Care Spending Account Enrollment Forms

(To participate in the Health Care Spending or Dependent Care Account employees must complete an annual enrollment form.)

All active employees of a participating school district are eligible for participation in the SISC Flex plan.

The maximum amount that can be contributed each plan year to the Health Care Spending Account is \$3,600, and a maximum of \$5,000 for the Dependent Care Spending Account.

Note: Applies to new districts entering plan mid-year. If the Plan Year is less than twelve months, the maximum contributions to the plan must be appropriately prorated according to the number of pay periods remaining in the year. Example: If the Effective Date is April 1, 2003, there are nine calendar months left in the Plan year. The maximum Health Care Account contribution could be \$2,700, and the maximum Dependent Care account contribution could be \$3,750.

C. Claim Forms (Please download forms and instructions from the SISC website, <http://sisc.kern.org>)

To receive reimbursement for dependent care and medical expenses, employees must receive eligible dependent care and medical services within the Plan year, or the 2 ½ month grace period immediately following the plan year end, and file a claim with the SISC Flex office. Completed forms, along with supporting documentation, should be forwarded the SISC Flex office for processing. Approved claims will typically be paid within ten (10) working days.

Additional information and forms can be found on our web page at <http://sisc.kern.org>. Click on the **SISC** tab at the left, and then select **SISC Flex**. Additional information includes:

- Summary Plan Description (SPD) - Please print and make as many copies as necessary to give each employee enrolled in the Health or Dependent Care accounts.
- Claim forms
- Calculation worksheet to estimate annual expenses
- Listings of Eligible expenses

3. Payroll Coding

- A. Create or establish method of payment (e.g., voluntary deduction) You may need to contact your County Office for more information.
Flex account funds are maintained separately within the Flex Plan. Please set up separate deductions for each account.
- B. Enter contribution/deduction amounts for each employee on a **pre-tax basis**.
(The only exception to this is if an employee elected to have their POP deductions on an after-tax basis.)
- C. Dependent Care Spending Account deductions must be reported in box 10 on employee's W-2.

4. Monthly Reporting

On approximately the 5th of each month, the SISC Flex staff will send a Contribution Billing Report to the district listing all current plan enrollees, and their monthly election amount. Please verify the information and **return the report to the SISC Flex office by the 25th** of each month with any changes or corrections. Any changes made to the Contribution Billing Reports shall include the effective date for each employee who is added or terminated from the plan. All changes must be supported with appropriate enrollment or change of status forms. Please note, the district will be responsible for any overpayment to participants due to their failure to notify SISC of a change.

The POP premiums are a portion of your regular SISC Health premiums, so please continue to forward them to the SISC Health Benefits program as usual. The only difference is that the employee portion of the premium will now be coded as pre-tax.

The district shall promptly forward all SISC Flex Health and Dependent Care employee contributions to the SISC Flex office. Funds should be received in the SISC Flex office no later than the 8th of the following month. Please mail to:

SISC Flex
P.O. Box 1808
Bakersfield, CA 93303-1808

5. Changing Elections

SISC Flex Plan elections may only be modified if an employee has a qualifying change in status. The district should obtain authorization from SISC for any change requested, prior to processing. Change forms are only available through the SISC office. A qualifying change in status is defined as one of the following:

- Change in the Participant's legal marital status, including marriage or divorce, death, legal separation/annulment.
- Termination or commencement of employment by employee.
- Change in dependent eligibility (attainment of age, student status, etc.) under the SISC Health Plan
- Death of spouse/dependent
- Birth/adoption/placement for adoption of a child
- Reduction/increase in hours of employment by employee, spouse or dependent that affects eligibility for benefits

Please refer to your district's copy of the Plan Document and Service Agreement for additional information.

CALL THE SISC FLEX OFFICE AT (661) 636-4416 IF YOU HAVE ANY QUESTIONS