

FAQ

Flex Plan

What is a Flex Plan?

A Flex Plan, also known as a Section 125 or Cafeteria Plan, is a voluntary benefit option available to SCOE employees. It helps lower state and federal taxes by using pre-tax dollars for eligible medical and dependent care expenses.

As a Flex Plan participant, you can set aside a portion of your salary for eligible medical and dependent care expenses. This amount is deducted from your paycheck before payroll taxes are calculated. You are then able to use these pre-tax dollars to pay your share of any benefit premiums and any qualified and necessary medical expenses not covered by your medical, dental, or vision plan or another source (such as worker's compensation). Pre-tax dollars may also be used for dependent care expenses, as described under the Dependent Care Section of the Flex Plan.

SCOE's Flex Plan is administered by Self Insured Schools of California (SISC). For a detailed discussion of the plan, go to <http://sisc.kern.org/flex/>.

What uses are allowed under a Flex Plan?

The most common use of a Flex Plan is payment of group insurance benefits. If you are responsible for a portion of your medical coverage at SCOE, you can pay those premiums on a pre-tax basis via the Flex Plan. By submitting a "premium only" Flex Plan enrollment form, SCOE will automatically enroll you in this part of the Flex Plan. You may also establish a Flexible Spending Account (FSA) for health and/or dependent care expenses.

Who is eligible to participate?

Each SCOE employee who works 20 hours or more per week may participate in the Flex Plan. An employee who has a Health Savings Account (HSA) may **not** participate in the Flexible Spending Account for healthcare, but may pay his/her share of benefit premiums with pre-tax dollars and participate in a Flexible Spending Account for dependent care expenses. Retirees are not eligible to participate in the Flex Plan.

How does a Flex Plan work?

Once a year during open enrollment, you will have an opportunity to elect if, and to what extent, you want to participate in the Flex Plan. Participation or any changes take effect on January 1. You decide which plan benefits you would like to enroll in, then agree to redirect part of your salary through the Flex Plan to pay for them. By redirecting your salary through the Flex Plan, you avoid paying payroll taxes on the redirected amount. Your election is irrevocable during the plan year, except in cases where a change in

family or employment status, known as a “qualifying event,” has occurred. For a more detailed discussion, go to <http://sisc.kern.org/flex/>.

What is a qualifying event?

Qualifying events include marriage or divorce, entering into a formal domestic partner relationship, change of hours of employment that would make you eligible for benefits, death of a spouse with resulting loss of medical coverage, and spouse’s loss of employment with a resulting loss of medical coverage. Any Flex Plan change must be made within 30 days of a qualifying event. Verification of the qualifying event is required.

How do I enroll?

Enrollment in the Flex Plan is optional and information is forwarded to employees prior to the open enrollment period. Once you have completed an enrollment form to have your portion of your healthcare premiums paid via the Flex Plan, SCOE will automatically set aside your share of the benefit premiums before taxes and you will not need to re-enroll in this portion of the plan each year.

Participation in the Flex Plan health and/or dependent care reimbursement accounts is also optional, but requires annual re-enrollment. Look for the required form in your open enrollment packet. (Open enrollment for the Flex Plan takes place in October.) If you have questions, contact Human Resources for the specific requirements and more information about how to enroll.

How long am I committed to participate if I enroll?

Your election is irrevocable for the plan year, which runs from January 1 to December 31. This means that you will not be able to change or discontinue your participation until the next plan year. The only exception to this rule is experiencing a qualifying event that would allow you to change or drop your election.

When does the Flex Plan start and end?

The plan year runs January 1 through December 31. There is a two-and-a-half month grace period after the end of the plan year, so you may request reimbursement for eligible expenses incurred through March 15. Claims may be submitted through March 31.

When does SCOE start and stop deducting from my paycheck?

For full-time employees, the first Flex Plan deduction is reflected in the January 31 paycheck and the last deduction is on December 31. For employees working less than 12 months per year, deductions are spread over the months that a paycheck is received.

Are there any fees for participating?

There are no fees.

Who can I contact if I have questions regarding the Flex Plan?

SISC service representatives are available during normal business hours, Monday through Friday, at (661) 636-4710. In addition, you can obtain automated information

about your account at any time via the SISC web site, <http://sisc.kern.org/flex/>. A pin number (assigned by SISC) is required to access your information.