

SIGIS: Special Interest Group for IAS Standards

SIGIS Eligible Product List (EPL)

IRS requirement The IRS has issued rulings that apply to certain categories of merchants that sell healthcare/medical items. The rulings state that these merchants must be able to electronically identify qualified medical items it sells, at the point of sale, through what the IRS calls an Inventory Information Approval System, or IAS.

Who this applies to? Merchants with the following merchant category codes (MCCs) had until the following dates to comply with the new IRS requirements for the acceptance of FSA/HRA cards (MCCs in parentheses):

- January 1, 2008: grocers/supermarkets (5411), discount stores/warehouse clubs (5300, 5310), convenience stores (5499), web-based/mail-order/telephone-order pharmacies (5960, 5964, 5965, 5969).
Note: The MCC's shown are for illustrative purposes and are not mean to represent all categories of merchants that may be required to implement an IAS.
- July 1, 2009: drug stores/pharmacies (5912, 5122).
Note: An exception from the IAS requirement applies to any merchant in these categories that derives 90% or more of its sales revenue from IRS-eligible healthcare items in the previous taxable year. Consult your legal counsel for more information.

What is the SIGIS Eligible Product List? The SIGIS Eligible Product List is a list of eligible healthcare/medical products that qualify for purchase with an FSA or HRA payment card. The list has been reviewed and modified by the SIGIS List Working Group, a group of benefit plan administrators (please not that the list is reviewed monthly and updated for both additions and deletions to the list).

Merchants who wish use the SIGIS standard and process IAS transactions must use the SIGIS Eligible Product List to identify their inventory so that eligible products can be identified and processed at the point of sale in accordance with the SIGIS specification.

What is SIGIS? A group of companies involved in supporting Flexible Spending Account (FSA) and Health Reimbursement Arrangement (HRA) debit card transactions formed a working group called the "IAS Standards Interest Group" to establish a voluntary industry standard to meet IRS requirements for operating an IAS by the mandated deadline of January 1, 2008. The working group has now incorporated as the Special Interest Group for IAS Standards (SIGIS) to manage the standards on an on-going basis.

SIGIS is composed of a broad range of participants, including retailers, card issuers, third party plan administrators ("TPAs"), merchant acquirers, processors, financial institutions, trade association groups, software vendors, and payment card networks.

List details

The SIGIS Eligible Product List will be made up of product records described as follows:

<i>name</i>	<i>Data Type</i>	<i>Size</i>
UPC	Text	11
GTIN	Text	14
Description (product name)	Text	42
Fine Line Code	Text	4
Category Descriptor	Text	100
Subcategory Descriptor	Text	100
Finest Category Descriptor	Text	100
Manufacturer Name	Text	50
Change Date	Text	8
Change Indicator	Text	1

The List will include nationally distributed, regular stock items. The List will be available in several file formats, including fixed length, .xls, XML, CSV delimited, and pipe delimited. The List will be updated and published on a monthly basis.

The List, as defined, will typically not include private label items as well as the following types of items:

- Items specially created for an individual retailer (private label);
- Local, regional or specialty items;
- Certain bonus items (2 ounces free);
- Buy One Get One (BOGOS) Free;
- Other in-and-out types of packaging with limited availability or distribution.

Sign up process

SIGIS members can access the SIGIS Eligible Product List by obtaining a member login by

1. You must first be listed as a company contact within the SIGIS Membership database. You may be added as a new contact by having the primary contact for your company send an email to help@sig-is.org with the new user name, title and email id.
2. Once you are listed as a contact within the Membership database, you can request your SIGIS Members Area Login through the SIGIS website.
3. Go to: http://www.sig-is.org/en/contact/contact_details.asp and select "Password Request". This will take you to a screen where you will enter your email address. Your SIGIS Members Area Login will be emailed to you.

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