

Bill No. CS for CS for SB 838

Barcode 531764

	CHAMBER ACTION	
<u>Senate</u>		<u>House</u>

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2	WD/2R	.	
3	05/02/2005 02:13 PM	.	
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11 Senators Miller and Campbell moved the following amendment:

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13 **Senate Amendment (with title amendment)**

14 On page 79, between lines 11 and 12,

15  
16 insert:

17 Section 14. Health care payroll assessment.--

18 (1) As used in this section, the term:

19 (a) "Agency" means the Agency for Health Care  
20 Administration.

21 (b) "Employee" means any person who receives  
22 remuneration from an employer for the performance of any work  
23 or service while engaged in any employment under any  
24 appointment or contract for hire or apprenticeship, express or  
25 implied, oral or written, whether lawfully or unlawfully  
26 employed, and includes, but is not limited to, aliens and  
27 minors.

28 (c) "Employer" means every person or entity carrying  
29 on any employment with 10,000 or more employees in this state.  
30 The term "employer" does not include the state or the  
31 political subdivisions in the state.

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1       (d) "Entity" includes corporation and foreign  
2 corporation; unincorporated association; business trust,  
3 estate, partnership, trust, and two or more persons having a  
4 joint or common economic interest.

5       (e) "Health insurance costs" means the amount paid by  
6 an employer to provide health care or health insurance to  
7 employees in this state to the extent the costs may be  
8 deductible by an employer under federal tax law. Health  
9 insurance costs include payments for medical care,  
10 prescription drugs, vision care, dental care, and any other  
11 costs to provide health care to an employee.

12       (f) "Secretary" means the secretary for Health Care  
13 Administration.

14       (g) "Wages" means the money rate at which the service  
15 rendered is recompensed under a contract of hiring and  
16 includes only the wages earned and reported for federal income  
17 tax purposes.

18       (2) Beginning January 1, 2007, and annually  
19 thereafter, an employer must submit to the secretary on a form  
20 or in a manner approved by the secretary:

21       (a) The number of employees of the employer in this  
22 state as of 1 day in the year immediately preceding the  
23 previous calendar year as determined by the employer on an  
24 annual basis.

25       (b) The amount of money spent by the employer in the  
26 year immediately preceding the previous calendar year on  
27 health insurance costs in this state.

28       (c) The percentage of the payroll that was spent by  
29 the employer in the year immediately preceding the previous  
30 calendar year on health insurance costs in this state.

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1 The information required shall be designated in a report  
 2 signed by the principal executive officer and include an  
 3 affidavit under penalty of perjury that the information  
 4 required in this section was reviewed by the principal  
 5 executive officer and is true to the best of the officer's  
 6 knowledge, information and belief.

7 (3) When calculating the percentage of payroll under  
 8 this section, an employer may exempt:

9 (a) Wages paid to any employee in excess of the median  
 10 household income in this state as published by the United  
 11 States Census Bureau; and

12 (b) Wages paid to an employee who is enrolled in or  
 13 eligible for Medicare.

14 (4) An employer who is organized as a not for profit  
 15 organization that does not spend up to 6 percent of the total  
 16 wages paid to employees in this state on health insurance  
 17 costs shall pay to the secretary an amount equal to the  
 18 difference between what the employer spends for health  
 19 insurance costs and an amount equal to 6 percent of the total  
 20 wages paid to employees in this state.

21 (5) An employer who is not organized as a not for  
 22 profit organization and does not spend up to 8 percent of the  
 23 total wages paid to employees in this state on health  
 24 insurance costs shall pay to the secretary an amount equal to  
 25 the difference between what the employer spends for health  
 26 insurance costs and an amount equal to 8 percent of the total  
 27 wages paid to employees in this state.

28 (6) An employer may not deduct any payment made under  
 29 subsection (4) or subsection (5) from the wages of an  
 30 employee.

31 (7) An employer must make payments required under this

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1 section to the secretary on a periodic basis as adopted in a  
2 rule by the agency.

3 (8) On or before March 15 of each year, the secretary  
4 shall report to the Governor and to the Legislature:

5 (a) The name of each nonprofit and for profit employer  
6 with 10,000 or more employees in this state;

7 (b) The employer's definition of a full-time employee;

8 (c) The number of full-time employees;

9 (d) The number of full-time employees eligible to  
10 receive health insurance benefits;

11 (e) The number of full-time employees receiving health  
12 insurance benefits from the employer;

13 (f) The source of health insurance benefits for those  
14 full-time employees not receiving health benefits through an  
15 employer subject to reporting under this section;

16 (g) The number of part-time employees;

17 (h) The number of part-time employees eligible to  
18 receive health insurance benefits;

19 (i) The number of part-time employees receiving health  
20 insurance benefits from the employer; and

21 (j) The source of health insurance benefits for those  
22 eligible part-time employees not receiving health benefits  
23 through an employer subject to reporting under this section.

24 (9) On an annual basis, the secretary shall:

25 (a) Verify which nonprofit and for profit employer has  
26 10,000 or more employees in this state; and

27 (b) Ensure that each nonprofit and for profit employer  
28 with 10,000 or more employees in this state has reported as  
29 required by this section.

30 (10)(a) If an employer fails to report to the  
31 secretary the information that is required by subsection (2),

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1 the secretary shall impose on the employer a civil fine of  
2 \$250 for each day that the report is not filed with the  
3 secretary.

4 (b) If an employer fails to make a required payment to  
5 the secretary which is required by subsection (7), the  
6 secretary shall impose on the employer a civil fine of  
7 \$250,000.

8  
9 (Redesignate subsequent sections.)

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12 ===== T I T L E A M E N D M E N T =====

13 And the title is amended as follows:

14 On page 4, line 19, after the semicolon

15

16 insert:

17 creating the health care payroll assessment;  
18 providing definitions; requiring employers with  
19 more than 10,000 employees in this state to  
20 provide specified information to the secretary  
21 of the Health Care Administration; requiring  
22 employers who do not spend a specified amount  
23 on health insurance costs to pay the secretary  
24 an amount equal to the difference between what  
25 the employer pays and a percentage of the total  
26 payroll; requiring the secretary to submit  
27 certain reports to the Governor and the  
28 Legislature by a specified date; providing for  
29 penalties

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