

Bill No. CS for CS for SB 838

Barcode 773244

CHAMBER ACTION

Senate

House

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Senators Miller, Campbell, Rich, and Dawson moved the following amendment:

Senate Amendment (with title amendment)

On page 79, between lines 11 and 12,

insert:

Section 14. Health care payroll assessment.--

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

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

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

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

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1 political subdivisions in the state.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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1 (7) An employer must make payments required under this
2 section to the secretary on a periodic basis as adopted in a
3 rule by the agency.

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

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

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

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

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

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

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

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

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

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

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

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

26 (a) Verify which nonprofit and for profit employer has
27 10,000 or more employees in this state; and

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

31 (10)(a) If an employer fails to report to the

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1 secretary the information that is required by subsection (2),
 2 the secretary shall impose on the employer a civil fine of
 3 \$250 for each day that the report is not filed with the
 4 secretary.

5 (b) If an employer fails to make a required payment to
 6 the secretary which is required by subsection (7), the
 7 secretary shall impose on the employer a civil fine of
 8 \$250,000.

9
 10 (Redesignate subsequent sections.)

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

14 And the title is amended as follows:

15 On page 4, line 19, after the semicolon

16
 17 insert:

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

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