

A bill to be entitled

An act relating to the Fair Share Health Care Fund; providing definitions; creating the fund; providing purposes and uses of the fund; providing duties of the Agency for Health Care Administration and the Chief Financial Officer; providing for audit of the fund; providing employer reporting guidelines; specifying required information; providing reporting guidelines for the secretary of the Agency for Health Care Administration; specifying required information; providing for determining fair share health care payments by employers; providing for employer payments into the fund; providing criteria; providing civil penalties for late reporting or nonpayment; providing for future review and termination or re-creation of the fund; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Fair Share Health Care Fund.--

(1) DEFINITIONS.--For purposes of this section:

(a) "Earnings" means compensation paid or payable, in money of a sum certain, for personal services or labor whether denominated as wages, salary, commission, or bonus.

(b) "Employee" has the same meaning as provided in s. 440.02, Florida Statutes.

(c) "Employer" has the same meaning as provided in s. 440.02, Florida Statutes. The term "employer" does not include

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29 the Federal Government, this state, another state, or a
30 political subdivision of this state or another state.

31 (d) "Fund" means the Fair Share Health Care Fund.

32 (e) "Health care expenditures" means the amount paid by an
33 employer to provide health care benefits or reimburse employees
34 for employees' health care costs, including, but not limited to,
35 payments for medical care, prescription drugs, vision care, and
36 medical savings accounts.

37 (f) "Secretary" means the secretary of the Agency for
38 Health Care Administration.

39 (2) FAIR SHARE HEALTH CARE FUND.--

40 (a) The Fair Share Health Care Fund is created in the
41 Agency for Health Care Administration.

42 (b) The purpose of the fund is to help finance coverage
43 for uninsured employees. The fund may be used to support the
44 operations of the state Medicaid program or to help uninsured
45 employees and their dependents obtain health care or coverage
46 through another state program.

47 (c) The fund also may be used to provide subsidies for
48 approved health coverage options, to be designated by the Agency
49 for Health Care Administration. In designating approved health
50 coverage options, the agency shall:

51 1. Identify specific health coverage plans for employees
52 and dependents, including, but not limited to, those employees
53 whose employers have paid into the fund. These options may
54 include Medicaid, the State Children's Health Insurance Program,
55 and private insurance.

56 2. Ensure that the coverage is affordable, accessible, and
 57 meaningful and equivalent to the Federal Employees Health
 58 Benefit Plan's standard Blue Cross/Blue Shield option.

59 (d) The fund consists of:

60 1. Any revenue received from payments made by employers
 61 under this section.

62 2. Any other money from any other source accepted for the
 63 benefit of the fund.

64 (e) The Chief Financial Officer shall hold the fund
 65 separately and shall account for the fund. The Chief Financial
 66 Officer shall invest the money of the fund in the same manner as
 67 other state money may be invested and any investment earnings of
 68 the fund shall be retained to the credit of the fund.

69 (f) The fund shall be subject to an audit by the
 70 Department of Revenue.

71 (3) APPLICABILITY.--This section applies to an employer
 72 with 10,000 or more employees in this state.

73 (4) EMPLOYER REPORTING GUIDELINES.--

74 (a) On January 1, 2007, and annually thereafter, an
 75 employer shall submit on a form and in a manner approved by the
 76 secretary:

77 1. The employer's definition of full-time employee and
 78 part-time employee.

79 2. The number of full-time and part-time employees of the
 80 employer in this state as of January 1 of the previous year.

81 3. The number of full-time and part-time employees
 82 eligible to receive health care expenditures and the number of

83 full-time and part-time employees receiving health care
 84 expenditures from the employer.

85 4. The amount spent by the employer in the previous
 86 calendar year on health care costs for employees in the state.

87 5. The percentage of payroll that was spent by the
 88 employer in the previous calendar year on health care costs for
 89 employees in the state.

90 (b) The information required shall:

91 1. Be designated in a report signed by the principal
 92 executive officer or an individual performing a similar
 93 function.

94 2. Include an affidavit under penalty of perjury that the
 95 information required under paragraph (a) was reviewed by the
 96 signing officer, was based on the officer's knowledge, and does
 97 not contain any untrue statement of a material fact or omit a
 98 material fact necessary to make the statement.

99 (c) When calculating the percentage of payroll under
 100 subparagraph (a)2. or the amount spent on health care under
 101 subparagraph (a)3., an employer may exempt earnings paid to an
 102 employee who is enrolled in or eligible for Medicare.

103 (5) REPORTING GUIDELINES FOR THE SECRETARY; DETERMINATION
 104 OF FAIR SHARE HEALTH CARE PAYMENTS.--On or before March 15 of
 105 each year, the secretary shall report to the Governor and the
 106 Legislature on:

107 (a) The name of each nonprofit and for-profit employer
 108 with 10,000 or more employees in the state.

109 (b) The employer's definition of full-time employee and
 110 part-time employee.

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111 (c) The number of full-time and part-time employees.

112 (d) The number of full-time and part-time employees
113 eligible to receive health care expenditures.

114 (e) The number of full-time and part-time employees
115 receiving health care benefits or expenditures from the
116 employer.

117 (f) The source of health care benefits for those eligible
118 full-time and part-time employees not receiving health care
119 expenditures through an employer subject to reporting under this
120 section.

121 (g) The percent of total earnings each nonprofit and for-
122 profit employer with 10,000 or more employees in the state
123 spends on health care costs.

124 (h) The average percentage of total earnings for-profit
125 employers with 10,000 or more employees in the state spend on
126 health care costs.

127 (i) The average percentage of total earnings nonprofit
128 employers with 10,000 or more employees in the state spend on
129 health care costs.

130 (6) PAYMENT TO THE FUND.--

131 (a) An employer that is organized as a nonprofit
132 organization and does not spend at least 7 percent of total
133 earnings of employees on health care costs shall pay to the
134 secretary an amount equal to the difference between what the
135 employer spends for health care costs and an amount equal to 7
136 percent.

137 (b) An employer that is not organized as a nonprofit
138 organization and does not spend at least 9 percent of total

139 earnings of employees on health care costs shall pay to the
 140 secretary an amount equal to the difference between what the
 141 employer spends for health care costs and an amount equal to 9
 142 percent.

143 (c) An employer may not deduct any payment made under
 144 paragraph (a) or paragraph (b) from the earnings of an employee.

145 (d) An employer shall make the payment required under this
 146 section to the secretary on a periodic basis as determined by
 147 the secretary.

148 (e) The secretary shall deposit all payments received from
 149 employers under this section into the fund.

150 (f) Notwithstanding any other provision of law, any
 151 balance in the fund at the end of any fiscal year shall remain
 152 in the fund at the end of the year and shall be available for
 153 carrying out the purposes of the fund.

154 (7) PENALTIES FOR LATE REPORTING OR NONPAYMENT.--

155 (a) Failure to report in accordance with subsection (4)
 156 shall result in the imposition by the secretary of a civil
 157 penalty of \$1,000 for each day that the report is not timely
 158 filed. The penalties shall be deposited into the fund.

159 (b) Failure to make the payment required under subsection
 160 (6) shall result in the imposition by the secretary of a civil
 161 penalty of \$500,000. The penalties shall be deposited into the
 162 fund.

163 (8) REVIEW AND REPEAL.--In accordance with s. 19(f)(2),
 164 Art. III of the State Constitution, the fund shall, unless
 165 terminated sooner, be terminated on January 1, 2011. Before its

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166 scheduled termination, the fund shall be reviewed as provided in
167 s. 215.3206(1) and (2), Florida Statutes.

168 Section 2. This act shall take effect January 1, 2007.