

SECOND REGULAR SESSION

# SENATE BILL NO. 944

93RD GENERAL ASSEMBLY

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INTRODUCED BY SENATORS BRAY, GREEN, DAYS, CALLAHAN, DOUGHERTY, COLEMAN AND KENNEDY.

Read 1st time January 24, 2006, and ordered printed.

TERRY L. SPIELER, Secretary.

4655S.011

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## AN ACT

To amend chapter 285, RSMo, by adding thereto six new sections relating to health care payroll assessments.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 285, RSMo, is amended by adding thereto six new  
2 sections, to be known as sections 285.400, 285.403, 285.406, 285.409, 285.412, and  
3 285.415, to read as follows:

**285.400. 1. As used in sections 285.400 to 285.415, the following  
2 terms shall mean:**

3 **(1) "Director", the director of the department of labor and  
4 industrial relations;**

5 **(2) "Employee", all individuals employed full-time or part-time  
6 directly by an employer;**

7 **(3) "Employer", the same meaning as such term is defined in  
8 section 287.030, RSMo; except that, employer shall not include the  
9 federal government, the state of Missouri, any other state, or any  
10 political subdivision of this state or another state;**

11 **(4) "Health insurance costs", the amount paid by an employer to  
12 provide health care or health insurance to employees in this state to the  
13 extent such costs may be deductible by an employer under federal tax  
14 laws and shall include payments for medical care, prescription drugs,  
15 vision care, medical savings accounts, and any other costs to provide  
16 health benefits as defined in Section 231(d) of the Internal Revenue Code  
17 of 1986, as amended;**

18 **(5) "Wages", the same meaning as such term is defined in section  
19 288.036, RSMo.**

20 **2. The provisions of sections 285.400 to 285.415 shall apply to any**

21 employer with ten thousand or more employees in this state.

285.403. 1. Beginning January 1, 2007, and annually thereafter, an  
2 employer shall submit on a form in a manner approved by the director:

3 (1) The number of employees of the employer in this state as of  
4 one day in the year immediately preceding the previous calendar year  
5 as determined by the employer on an annual basis;

6 (2) The amount spent by the employer in the year immediately  
7 preceding the previous calendar year on health insurance costs in this  
8 state; and

9 (3) The percentage of payroll that was spent by the employer in  
10 the year immediately preceding the previous calendar year on health  
11 insurance costs in this state.

12 2. The director shall promulgate rules to specify the information  
13 that an employer shall submit under subsection 1 of this section. Such  
14 information required shall:

15 (1) Be designated in a report signed by the principal executive  
16 officer or an individual performing a similar function; and

17 (2) Include an affidavit under penalty of perjury that the  
18 information required under subsection 1 of this section was reviewed by  
19 the signing officer and is true to the best of the signing officer's  
20 knowledge, information, and belief.

21 3. When calculating the percentage of payroll under subdivision  
22 (3) of subsection 1 of this section, an employer may exempt:

23 (1) Wages paid to any employee in excess of the amount taxable  
24 for federal Social Security (FICA) purposes; and

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

285.406. 1. An employer that is organized as a nonprofit  
2 organization that does not spend up to eight percent of the total wages  
3 paid to employees in this state on health insurance costs shall pay to the  
4 director an amount equal to the difference between the amount the  
5 employer spends for health insurance costs and an amount equal to  
6 eight percent of the total wages paid to employees in this state.

7 2. An employer that is not organized as a nonprofit organization  
8 and that does not spend up to ten percent of the total wages paid to  
9 employees in this state on health insurance costs shall pay to the  
10 director an amount equal to the amount that the employer spends for

11 health insurance costs and an amount equal to ten percent of the total  
12 wages paid to employees in this state.

13 3. No employer shall deduct any payment made under subsection  
14 1 or 2 of this section from the wages of an employee.

15 4. An employer shall make the payments required under this  
16 section to the director on a periodic basis as determined by the director.

285.409. 1. Any employer that fails to report in accordance with  
2 sections 285.400 to 285.415 shall be subject to an administrative penalty  
3 of two hundred fifty dollars for each day that the report is not timely  
4 filed.

5 2. Any employer that fails to make a payment required under  
6 sections 285.400 to 285.415 shall be subject to an administrative penalty  
7 of two hundred fifty dollars.

285.412. 1. As used in this section, "health insurance benefits"  
2 includes payments for medical care, prescription drugs, vision care,  
3 medical savings accounts, and any other costs to provide health benefits  
4 as defined in Section 213(d) of the Internal Revenue Code of 1986, as  
5 amended.

6 2. On or before March fifteenth of each year, the director shall  
7 report to the governor and the general assembly on:

8 (1) The name of each nonprofit and for-profit employer with ten  
9 thousand or more employees in this state;

10 (2) The employer's definition of full-time employee and part-time  
11 employee;

12 (3) The number of full-time employees;

13 (4) The number of full-time employees eligible to receive health  
14 insurance benefits from the employer;

15 (5) The number of full-time employees receiving health insurance  
16 benefits from the employer;

17 (6) The source of health insurance benefits for those eligible full-  
18 time employees not receiving health insurance benefits through an  
19 employer subject to reporting under sections 285.400 to 285.415, if known  
20 by the employer;

21 (7) The number of part-time employees;

22 (8) The number of part-time employees eligible to receive health  
23 insurance benefits from the employer;

24 (9) The number of part-time employees receiving health insurance

25 **benefits from the employer; and**

26 **(10) The source of health insurance benefits for those eligible**  
27 **part-time employees not receiving health insurance benefits through an**  
28 **employer subject to reporting under sections 285.400 to 285.415, if known**  
29 **by the employer.**

30 **3. The information required under subsection 2 of this section**  
31 **shall be reported as of the information reporting date determined by the**  
32 **employer under subdivision (1) of subsection 1 of section 285.403.**

**285.415. 1. The director shall:**

2 **(1) On an annual basis and based on the information reported**  
3 **under subdivision (1) of subsection 1 of section 285.403:**

4 **(a) Verify which employers have ten thousand or more employees**  
5 **in this state; and**

6 **(b) Ensure that all employers with ten thousand or more**  
7 **employees in this state make the report required under section 285.403;**

8 **(2) Promulgate rules to implement the provisions of sections**  
9 **285.400 to 285.415; and**

10 **(3) Transfer any moneys collected from the payroll assessment**  
11 **into the uncompensated care fund.**

12 **2. (1) There is hereby created in the state treasury the**  
13 **"Uncompensated Care Fund" which shall consist of moneys collected**  
14 **under sections 285.400 to 285.415. The state treasurer shall be custodian**  
15 **of the fund and shall disburse moneys from the fund in accordance with**  
16 **sections 30.170 and 30.180, RSMo. Upon appropriation, money in the**  
17 **fund shall be used solely to reimburse licensed hospitals and federally**  
18 **qualified health centers that provide uncompensated care to patients.**

19 **(2) Notwithstanding the provisions of section 33.080, RSMo, to the**  
20 **contrary, any moneys remaining in the fund at the end of the biennium**  
21 **shall not revert to the credit of the general revenue fund.**

22 **(3) The state treasurer shall invest moneys in the fund in the**  
23 **same manner as other funds are invested. Any interest and moneys**  
24 **earned on such investments shall be credited to the fund.**

25 **3. Any rule or portion of a rule, as that term is defined in section**  
26 **536.010, RSMo, that is created under the authority delegated in sections**  
27 **285.400 to 285.415 shall become effective only if it complies with and is**  
28 **subject to all of the provisions of chapter 536, RSMo, and, if applicable,**  
29 **section 536.028, RSMo. Sections 285.400 to 285.415 and chapter 536,**

30 **RSMo, are nonseverable and if any of the powers vested with the general**  
31 **assembly pursuant to chapter 536, RSMo, to review, to delay the effective**  
32 **date, or to disapprove and annul a rule are subsequently held**  
33 **unconstitutional, then the grant of rulemaking authority and any rule**  
34 **proposed or adopted after August 28, 2006, shall be invalid and void.**

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Unofficial

Bill

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