FIRST REGULAR SESSION

SENATE BILL NO. 33

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS BRAY, GREEN, KENNEDY AND DAYS.

Pre-filed December 1, 2006, and ordered printed.

TERRY L. SPIELER, Secretary.

0538S.01I

AN ACT

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

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 sections, to be known as sections 285.400, 285.403, 285.406, 285.409, 285.412, and 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 13 the extent such costs may be deductible by an employer under federal 14 tax laws and shall include payments for medical care, prescription 15 drugs, vision care, medical savings accounts, and any other costs to 16 provide health benefits as defined in Section 231(d) of the Internal 17 Revenue Code 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, 2008, and annually thereafter, 2 an employer shall submit on a form in a manner approved by the 3 director:

4 (1) The number of employees of the employer in this state as of 5 one day in the year immediately preceding the previous calendar year 6 as determined by the employer on an annual basis;

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

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

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

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

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

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

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

26 (2) Wages paid to an employee who is enrolled in or eligible for27 Medicare.

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

2. An employer that is not organized as a nonprofit organization
and that does not spend up to ten percent of the total wages paid to
employees in this state on health insurance costs shall pay to the

 $\mathbf{2}$

director an amount equal to the amount that the employer spends for
health insurance costs and an amount equal to ten percent of the total
wages paid to employees in this state.

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

4. An employer shall make the payments required under this
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.

2. Any employer that fails to make a payment required under
sections 285.400 to 285.415 shall be subject to an administrative penalty
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 4 benefits as defined in Section 213(d) of the Internal Revenue Code of 5 1986, as 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;

(6) The source of health insurance benefits for those eligible fulltime employees not receiving health insurance benefits through an
employer subject to reporting under sections 285.400 to 285.415, if
known by the employer;

- 21 (7) The number of part-time employees;
- 22 (8) The number of part-time employees eligible to receive health

3

23 insurance benefits from the employer;

24 (9) The number of part-time employees receiving health25 insurance benefits from the employer; and

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

122. (1) There is hereby created in the state treasury the 13"Uncompensated Care Fund" which shall consist of moneys collected under sections 285.400 to 285.415. The state treasurer shall be 14custodian of the fund and shall disburse moneys from the fund in 15accordance with sections 30.170 and 30.180, RSMo. Upon appropriation, 1617money in the fund shall be used solely to reimburse licensed hospitals and federally qualified health centers that provide uncompensated care 18to patients. 19

20 (2) Notwithstanding the provisions of section 33.080, RSMo, to 21 the contrary, any moneys remaining in the fund at the end of the 22 biennium shall not revert to the credit of the general revenue fund.

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

3. Any rule or portion of a rule, as that term is defined in section
 536.010, RSMo, that is created under the authority delegated in sections

28285.400 to 285.415 shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, 29section 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 31general assembly pursuant to chapter 536, RSMo, to review, to delay 32the effective date, or to disapprove and annul a rule are subsequently 33 held unconstitutional, then the grant of rulemaking authority and any 34rule proposed or adopted after August 28, 2007, shall be invalid and 3536 void.

 $\mathbf{5}$

Unofficial

Bill