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## 3 INTRODUCED BY Miguel P. Garcia 5 6 7 8 FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE 9 10 AN ACT 11 RELATING TO HEALTH INSURANCE; REQUIRING CERTAIN LARGE EMPLOYERS 12 TO REPORT WHETHER THEY PAY THEIR FAIR SHARE OF EMPLOYEE HEALTH 13 CARE COSTS. 14 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO: 16 SHORT TITLE.--This act may be cited as the Section 1. 17 "Fair Share for Health Care Act". 18 Section 2. DEFINITIONS.--As used in the Fair Share for 19 Health Care Act: 20 "employee" means an individual employed by an 21 employer such that the employer pays social security 22 withholding, unemployment insurance or workers' compensation 23 insurance for the individual; 24 "employer" means a person, or an officer, agent 25 or employee of that person, who has control of the payment of

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wages to an employee in New Mexico and who is doing business in or deriving income from sources within the state and has ten thousand or more employees nationwide, except that "employer" does not include the federal or state government or a political subdivision of the state or another state;

- "fair share" means a minimum of ten percent of wages spent for total employee health insurance costs;
- "health insurance costs" means the amount paid D. by an employer to provide health care or health insurance to an employee to the extent that the costs may be deductible by the employer under federal tax law and includes payments for medical care, prescription drugs, vision care and medical savings accounts;
- "secretary" means the secretary of human services; and
- "wages" means remuneration in cash or other form F. of payment for services performed by an employee for an employer.

## Section 3. REPORTING. -- An employer shall:

- on January 1, 2008 and annually thereafter, make a report of statistical data on its employee health care coverage, using both national and New Mexico data, to the human services department on a form approved by the secretary that includes:
- the total number of employees on one day .164256.2

selected by the employer in the year immediately preceding the previous calendar year;

- (2) the total amount spent by the employer in the year immediately preceding the previous calendar year on health insurance costs for all its employees;
- (3) the total wages paid to its employees in the year immediately preceding the previous calendar year;
- (4) the total dollars spent on health care costs in the previous year expressed as a percentage of wages;
- (5) a summary of the employer's policy on health care coverage eligibility for its employees; and
- (6) the total employer cost for wages and health insurance benefits for its highest-paid employee nationally and in New Mexico; and
- B. submit the report pursuant to Subsection A of this section signed by the principal executive officer or the person performing a similar function with an affidavit under penalty of perjury that the information reported was reviewed by the signing officer and is accurate.
- Section 4. SECRETARY--DUTIES.--The secretary shall report annually to the governor on or before March 15 of each year, in a publication titled "Fair Share for Health Care", the name of each employer and:
- A. the exact number of employees employed by the employer;

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- the percentage of the employer's total wages spent in the reported year on health insurance costs for its employees nationwide and in New Mexico; and
- a department estimate of whether the employer paid a fair share for health care.

Section 5. PENALTY.--The secretary shall impose a civil penalty of up to two hundred fifty dollars (\$250) per day of delay in reporting on an employer that fails to report as required on January 1 each year under the Fair Share for Health Care Act.

Section 6. EFFECTIVE DATE. -- The effective date of the provisions of this act is July 1, 2007.

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