

By: Senator(s) Dawkins, Williamson

To: Public Health and  
Welfare; Judiciary, Division  
B

SENATE BILL NO. 2684

1 AN ACT TO CREATE THE MISSISSIPPI FAIR SHARE HEALTH CARE ACT;  
2 TO DEFINE CERTAIN TERMS; TO PROVIDE THAT CERTAIN EMPLOYERS THAT DO  
3 NOT SPEND AT LEAST 8% OF THE TOTAL WAGES PAID TO ITS EMPLOYEES IN  
4 THIS STATE ON HEALTH INSURANCE COSTS SHALL PAY TO THE DIVISION OF  
5 MEDICAID, OFFICE OF THE GOVERNOR, AN AMOUNT EQUAL TO THE  
6 DIFFERENCE BETWEEN WHAT THE EMPLOYER SPENDS FOR HEALTH INSURANCE  
7 COSTS AND AN AMOUNT EQUAL TO 8% OF THE TOTAL WAGES PAID TO ITS  
8 EMPLOYEES IN THIS STATE; TO PROVIDE A CIVIL PENALTY FOR FAILING TO  
9 MAKE THE REQUIRED PAYMENT; AND FOR RELATED PURPOSES.

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

11 **SECTION 1.** This act shall be known and may be cited as the  
12 "Mississippi Fair Share Health Care Act."

13 **SECTION 2.** The following words shall have the ascribed  
14 meanings unless the context clearly indicates otherwise:

15 (a) "Employee" means all individuals employed full time  
16 or part time directly by an employer.

17 (b) "Employer" means any person, institution,  
18 organization or other entity that pays salary or wages for work  
19 performed. The term "employer" shall not include the federal  
20 government, the State of Mississippi, or any political subdivision  
21 thereof, or any employer with ten thousand (10,000) or less  
22 employees in this state.

23 (c) "Health insurance costs" means the amount paid by  
24 an employer to provide health care or health insurance to  
25 employees in this state to the extent the costs may be deductible  
26 by an employer under federal tax law.

27 (d) "Health insurance costs" includes payments for  
28 medical care, prescription drugs, vision care, medical savings  
29 accounts, and any other costs to provide health benefits as  
30 defined in Section 213(d) of the Internal Revenue Code.

31           **SECTION 3.** (1) An employer that is organized as a nonprofit  
32 organization that does not spend at least six percent (6%) of the  
33 total wages paid to its employees in this state on health  
34 insurance costs shall pay to the Division of Medicaid, Office of  
35 the Governor an amount equal to the difference between what the  
36 employer spends for health insurance costs and an amount equal to  
37 six percent (6%) of the total wages paid to its employees in this  
38 state.

39           (2) An employer that is not organized as a nonprofit  
40 organization and does not spend at least eight percent (8%) of the  
41 total wages paid to its employees in this state on health  
42 insurance costs shall pay to the Division of Medicaid, Office of  
43 the Governor, an amount equal to the difference between what the  
44 employer spends for health insurance costs and an amount equal to  
45 eight percent (8%) of the total wages paid to its employees in  
46 this state.

47           (3) An employer may not deduct any payment made under  
48 subsection (1) or (2) from the wages of an employee.

49           (4) An employer shall make the payment required under this  
50 section to the Division of Medicaid, Office of the Governor, on a  
51 periodic basis as determine by the Executive Director of the  
52 Division of Medicaid.

53           (5) Failure to make the payment required under this section  
54 shall result in the imposition of a civil penalty by the Executive  
55 Director of the Division of Medicaid in an amount not to exceed  
56 Five Hundred Dollars (\$500.00).

57           (6) On an annual basis, the Executive Director of the  
58 Division of Medicaid shall verify which employers have ten  
59 thousand (10,000) or more employees in this state and shall ensure  
60 that all employers have made the payment required in this section.

61           (7) The Division of Medicaid, Office of the Governor, shall  
62 promulgate rules and regulations necessary to carry out the  
63 provisions of this act.

64           **SECTION 4.** This act shall take effect and be in force from  
65 and after July 1, 2006.