

Amendment 1 to Improving Access to Medical Care (CB 119555)

Sponsors: CM Mosqueda and CM González

**Amending SMC Sections 14.28.030 and 14.28.060 to modify language
regarding employee waiver**

14.28.030 Employee coverage

A. For the purposes of this Chapter 14.28, covered employees are limited to employees who work for a covered employer at a large hotel in the City and for an average of 80 hours or more per month, the calculation of which shall be determined by Director's rule.

B. For the purposes of this Chapter 14.28, a covered employee does not include:

1. An employee who is a manager, supervisor, or a confidential employee;

2. An employee who receives health coverage from another source, including but not limited to employer-sponsored health insurance through an employer other than the covered employer, either as an employee or by virtue of being the spouse, domestic partner, child, or other dependent of another person. If an employee receives health coverage from another source, the following conditions must be met ~~in order~~ for the employee to be excluded from being treated as a "covered employee":

a. The employer must ~~offer the employee a written waiver, obtain a signed waiver from the employee,~~ free from coercion as described in Section 14.28.050 and under penalty of perjury, that the employee has access to high-quality and affordable health coverage from another source for themselves and, if applicable, their spouse, domestic partner, or dependents. The employer must offer the waiver in the employee's primary language and on a form issued by the Director as described in Section 14.28.050. Prior to offering the waiver, the

employer must provide the employee with a written disclosure of the rights being waived, the form and contents of which shall be prescribed by the Director. If an employee submits the waiver, the

b. The employer is not required to verify the accuracy of the attestation in the employee's waiver;

b. The employer must offer the waiver on a form issued by the Director as described in Section 14.28.050;e

c. Prior to offering the waiver, the employer must provide the employee with a written disclosure of the rights being waived, the form and contents of which shall be prescribed by the Director.

C. A waiver of the requirements of this Chapter 14.28, as described in subsection 14.28.030.B., is revocable by the employee during any period of annual open enrollment in the covered employer's employer-sponsored plan or due to a qualifying life event.

14.28.060 Required healthcare expenditures for covered employees

D. If an employee voluntarily declines an employer's offer of a monthly required healthcare expenditure in full satisfaction of the requirements described in subsections 14.28.060.A, the employer will be deemed to have satisfied its required healthcare expenditure rate for that employee provided that the following conditions are met:

1. The employer's offered form of such monthly required healthcare expenditure under subsection 14.28.060.B ~~would~~ must not require the employee to pay more than a dollar amount equivalent to 20 percent of the monthly required healthcare amount described in subsection 14.28.060.A.1; and

2. The employer ~~offers the employee a written waiver,~~ must obtain a signed waiver from the employee, free from coercion as described in Section 14.28.050 and under penalty of perjury, that the employee is waiving the employer's offer of the monthly required healthcare expenditure in full satisfaction of the requirements described in subsections 14.28.090.A and B. The employer ~~offers~~ must offer the waiver in the employee's primary language and on a form issued by the Director as described in Section 14.28.050. Prior to offering the waiver, the employer ~~provides~~ must provide the employee with a written disclosure of the rights being waived, the form and content of which shall be prescribed by the Director.

If an employee receives the wavier and written disclosures described in this subsection 14.28.060.D.2, the employee refuses to sign such waiver, and the employee continues to decline, in whole or part, the employer's offer of a monthly required expenditure in full satisfaction of the requirements described in subsection 14.28.060.A and this subsection 14.28.060.D.1, the employer will be deemed to have satisfied its required healthcare expenditure rate for that employee. The employer must maintain records, as prescribed by Director's rule, regarding the employee's receipt of the waiver and written disclosures described in this subsection 14.28.060.D.2, and the employee's subsequent refusal to the sign the waiver described in this subsection 14.28.060.D.2.

Renumber sections and correct any internal references accordingly.

Effect: This amendment would change waiver requirements for employee coverage under (1) Section 14.28.030.B.2 and (2) the monthly required healthcare expenditure under Section 14.28.060.D. Both amendments would require an employer to obtain a waiver from an employee, rather than to solely offer a waiver to an employee.