

SPEAKER BARRETT: Thank you. Senator Wesely, your light is next. Senator Lynch, please.

SENATOR LYNCH: Mr. President and members, I appreciate Senator Wesely yielding to me for a number of reasons, mostly, hopefully, that he and "Denny" Baack, by the time I get through talking will agree that maybe we can save any more discussion on certificate of need until another day, but while they're discussing it I'll mention just an editorial comment or two. Certificate of need can work. It was an effort long before the DRG system came along, Diagnosis Related Grouping system which was an effort on the part of the federal government to provide just limited amount of dollars based on what they thought was real cost for certain procedures for Medicare patients. As President Reagan at the time decided they could not afford to continue on a cost plus basis, the feds would soon run out of money. It worked better than certificate of need, but I want to relate, while they are still talking, an example of how certificate of need was not even permitted the chance to work. A long time ago there were an awful lot of construction projects in the Omaha area. I mentioned already we have over, well over 1,000 too many beds. At one time we had as many as 1,500 too many beds. Methodist Hospital moved from its old location to a new location out west. Children's Hospital wanted to expand. They made an arrangement with each other that Methodist Hospital would expand and, in fact, built a wing that could be used for the Children's Hospital efforts. At the time that suggestion was made, we already had almost those 1,000 too many beds in the Omaha area. We had in place a certificate of need program, I happened to be on it, and I was also chairman at the time of a group called the Project Review Committee and this was just a group of people who looked at all the facts and recommended to the certificate of need. We, after reviewing it, agreed that we did not need this new hospital. The certificate of need people agreed that we did not need this new hospital and the state Certificate of Need Committee also agreed that we did not need this new hospital, but a judge, one person, a single man, decided because he didn't like the process of certificate of need, he would allow the hospital to be built. Well I tried calling Methodist just before noon to find out today what their count was, how many patients were in the beds. They haven't called me back so I can't tell you for sure, but I did try. But I think they're probably half full or half empty, depending upon how you view it. That's where your costs are. If certificate of need were allowed to work back in those days, that kind of