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March 15, 2000      LB 1427  
                         LR 70

IGT funds are Medicaid funds that come through government nursing facilities and then back to the state. After the bill was introduced, the possibility of additional revenues to the state from a nationwide tobacco settlement was also discussed in LB 1070, was amended to include investment income from those funds as an ongoing source of funding healthcare and public health in the state. Of the original \$82 million that we had in the IGT funds, \$40 million went to conversion grants; \$25 million went to the Children's Health Insurance; and then \$17 million went to the Excellence in Health Care Trust Fund. By the way, when we had the \$82 million there was talk that that might be it. We might, well, we might get another year, but then we didn't think we'd get much after that. We have received the IGT funds in the past. I think we've got a few more years before it is cut off and I don't know if it will even be cut off then. There are other states now that are finding this and are using it and so the dollars are getting larger and I don't know where that's going to end up. Implementation of the trust fund legislation is progressing. The Governor has appointed the first members of the Excellence in Health Care Council. The council has been meeting to establish its policies and procedures. The Department of Finance and Support has promulgated rules and regulations under the act. Last year, when the Legislature passed two bills that made some technical changes to the act, some members expressed concern about the lack of legislative oversight under the Trust Fund Act; and I pledged at that time to address that issue. I introduced LR 70 in 1999 for that purpose, and I introduced LB 1427 to address these concerns this year. LB 1427 was intended to revise and update the Trust Fund Act and makes a number of changes to that act. The bill changes the name of the act and the name of certain funds created under the act to more accurately reflect the propose (sic)...of...of the act and the funds created under the act. The changes also take into account the fact that there is already a Health Care Trust Fund created in statute in Section 71-7521. LB 1427 incorporates the legislative findings of the act into five legislative purposes. These purposes are intended to include both existing services and development of new services. The bill also makes various technical changes and deletes an obsolete section of the act. To address concerns about legislative oversight, the bill reserved half of all monies in the form...formerly named Excellence in Health Care