

through our insurance premiums that our employers are paying that are passed on in the form of prices of our goods and that you and I are ultimately paying. You know in 1960 health care costs represented three percent of our gross national product. Today it is ten percent of our gross national product. Twenty years later we have seen that kind of growth in health care costs. These facilities are making lots and lots of money, and when they make lots of money, what do they do with the money. They don't have any stockholders to give it back to because they are nonprofit organizations. I don't believe they turn it back over to the churches that support them. Instead they buy more assets. They buy more CAT scanners. They buy more high technology machines. They put up new buildings. They grow. They expand. Their growth and their expansion essentially has been unbridled and unregulated. Now I can guarantee you that if Senator Cullan's amendments carry and this bill ultimately carries where we raise the basic capital acquisition floor from \$150,000 to \$600,000 we are going to see Clarkson Hospital deciding to use some of that \$18 million in cash and liquid assets for some more new expensive machinery that we won't necessarily need in Omaha because we probably have got that new and expensive machinery in some other facility. You know to some extent the health...in many respects the health care industry in this county is becoming a scandal because it is costing us so much money and we have to add those prices to our products which no longer can compete in the foreign markets. We have gotten to a point where we may have to begin to treat the health care industry like a public utility. You know, way back, fifty, sixty years ago, we had a whole host of phone companies and a whole host of electrical companies and a whole host of gas companies, all private industries, each competing for the same customers, each putting in their own independent telephone lines or own independent pipelines or own independent distribution systems and, finally the country said sixty years ago, we can't afford the total unregulated growth of this kind of an industry and so that is why they came into the practice of establishing Public Service Commissions...

SENATOR CLARK: You have one minute left.

SENATOR V. JOHNSON: ...to give a limited monopoly in a certain area to one facility but to also regulate its ability to charge prices. Well, the same thing clearly is happening in our health care industry. We have all kinds of nonprofit private enterprises competing for the same sick person, having the marketplace...the marketplace does not regulate in the least because you know it is not price