

to do something about health care costs but I think competition can do that. I think we need to look at having the state self-insured and go into health care providers and making them bid for the state's business just like some industries are doing in certain parts of the country. I think we need to rewrite a reimbursement systems. I think we need to change our Medicaid program and I have introduced a bill to do that this year. But Nebraska has a Cadillac Medicaid program. We adopted every option you could adopt when we set up our Medicaid problem and then we wonder why Nebraska has high health care costs. We went in full speed with the Hill-Burton program and built numerous hospitals throughout the State of Nebraska and we wonder why we have huge health care costs. Well there are changes that can be made. There are things that the State of Nebraska can do to reduce health care costs and I think LB 378 in its current form is a minor step in reducing some of the unnecessary regulation in making this program work. But when we talk about health care costs we can't simply deride the health care industry for increased health care costs without being a little bit reasonable.

PRESIDENT: One minute, Senator Cullan.

SENATOR CULLAN: Of course health care costs have increased in the last several years but we're not buying the same product in 1982 that we bought in 1950 or 1960 or even in 1970. Look at the progress in this field with artificial hearts and advances in cancer and organ transplants and all kinds of very expensive, life-saving, life improving advancements in the health care industry. We're buying a much better product in 1982 and we should pay more for that product but the key is going to change the reimbursement system. Another item that we haven't talked about is personnel. Now the great costs in the health care industry is personnel. If you look at a hospital between 60% and 65% of their costs are probably going to be in the neighborhood of personnel. Now how many of you in this room think that nurses are overpaid? I wouldn't be a nurse because I would not work that hard for that little money.

PRESIDENT: Time is up, Senator.

SENATOR CULLAN: I think that LB 378 is a good step. I think it is one that will ultimately reduce the regulatory costs and improve the certificate of need process. I urge you to advance it.

PRESIDENT: The motion before the House is the advance of