SENATOR CLARK: Senator Kahle.

SENATOR KAHLE: Mr. President and members, a question of Senator Warner.

SENATOR CLARK: Senator Warner, would you yield?

SENATOR KAHLE: In Section 13 you mentioned, or somebody did that doctors, chiropractors and those that provide the service, what about the care homes, are they included in that also?

SENATOR WARNER: For the...any services that are provided, the services refer to personal services, not the purchase of hard goods that the vendor payments be increased only by the...an annualized basis of 3.75 where there is a, you know, a predetermined basis for the reimbursement. It doesn't require that those providing the services, no, they make whatever salary adjustments is appropriate, but as far as the reimbursement from the Department of Welfare, it would be a cap on, it would only 3.75.

SENATOR KAHLE: Well, the problem that we have anyway in my area outstate Nebraska and I think it is all over Nebraska, is that by reducing the Medicare payments I guess last fall in not giving any kind of an increase, appreciable increase this year, we have caused some of the care homes to be in a real problem because they have to take a number of patients that can pay, are able to pay, in order to cover those that the state pays for, and I guess on one hand we have bills before us that would increase the care or improve the care for the Medicare people, the patients in the care homes, and then here we are not cutting it any more, thank goodness, but how are we going to keep our care homes open and how are we going to satisfy those people that can pay when they are paying several hundred dollars per bed more than those that can't pay? How are we going to do that? Do you have any solution to that, Senator Warner?

SENATOR WARNER: Well, Senator Kahle, I rather suspect that health care providers as well as a whole lot of other citizens are going to find that increases just aren't there anywhere, and this suggestion merely puts a cap on the reimbursement of the services, doesn't restrict what they may decide to do locally. I would agree that if they insist on making their costs significantly higher that somebody picks it up, that is obviously true, but by the same token I rather suspect everybody better understand