

gathering that can determine just what those costs are. On pages 17, provide that hospital boards are under the provisions of open meeting laws except for certain purposes. I think you will find that there are certain areas which were discovered when Senator Vard Johnson talked about putting them under the open meetings law they were not covered and so as a result I have limited the open meeting provision to certain specific areas. I would suggest that they would cover the setting of rates and charges, acquiring equipment land or buildings and acting on or discussing the construction of new facilities of the levels of the different care. Also, pages 9 through 20, provide for an insurance company to provide options for health care insurance. I think that those sections are the most important insofar as some kind of cost containment is concerned. I think it is absolutely mandatory and we have found evidence in the past that where the insurer has an option they will accept the lower cost option. Many employers have told me that the cost of providing health insurance has become one of the very major burdens of their company. At a time when bankruptcies are occurring at too great a frequency we ought to look upon this cost as one which needs to be reviewed. There are some interesting options provided and I think the insurance companies ought to be encouraged by legislative action to provide other options. I want to call your attention to an article in the April issue of the Scientific American, some magazine my sixteen year old son gets and I don't understand much of what is printed in it but there is an article there on page 120, Variations in Medical Care Among Small Areas, and it tells very succinctly that the amount and cost of hospital treatment in a community have more to do with the amount of services available than the persons who might need those services. They point out that in a certain area in Maine, for example, the incidence of one operation is three times as great in one area where hospital and medical facilities are extensive as they are in another area only twenty miles away and I think that that proves a point. We have altogether too much of the philosophy that we have to provide everything we can for everyone. I just suggest that the time has come for competition in health care services. I think that if we would provide that they had to be competitive, we would do the greatest service possible for the public.

PRESIDENT: Half a minute, Senator.

SENATOR SCHMIT: There is no doubt in my mind that if hospitals were competitive the cost of health care would come down. At the present time, and I have said it before, the present system of retrospective reimbursement guarantees a profit for the providers of health care and particularly