

I'm very proud of that piece of legislation. Something like 1,300 individuals are now under that plan, paying premiums and having coverage for their health insurance needs. These are people that could not otherwise receive health insurance, were denied by existing health insurance companies and we have pooled the health insurance industry in the State of Nebraska together provide insurance for these difficult cases in providing help to these people and it's a godsend, in fact, to these individuals. I want to run through what the amendment does and it's through a series of negotiations that have been held by a number of people. I'm trying to deal with some concerns about the CHIP program. First off, the first part of the amendment deals with the waiver provisions under the current act. LB 380 is the bill that was introduced to deal with that. It was advanced unanimously by committee and will be part of this amendment and it says the waiver now provided for preexisting conditions when you shift into the CHIP plan, would not be allowed if you've been involuntarily terminated. You'd have to take the six-month waiver in any event. And the fear here and the problem here has been dumping of individuals out of a plan into the CHIP program that are at risk for immediate needs and to save money and to make sure we don't get the dumping problem that some people feel is occurring, others would dispute, but there is some history here. We are asking that that waiver be stricken from the statute so that that would no longer be provided and a waiting period would be required. Additionally, to save money we are authorizing the CHIP board to enter into contracts for an HMO or PPO. This would be at their option if they felt it could save money and still provide good coverage. It would be allowed for them to move in this direction. In addition, the CHIP board would be allowed to cancel policies and reoffer the policies with different provisions and on this point, for Senator Chizek's benefit, there is currently a 90-10 plan in place and the plan is to go to an 80-20 plan and I've just called over to the Insurance Department and they tell me it isn't planned to eliminate the 90-10 and go completely to the 80-20, but the plan is to have both offered and the 80-20 would be at a lower cost than the 90-10 plan. And so that's...the intent is not to completely wipe out the 90-10, but to make sure that we have ability to convert into the 80-20 if these current people want to do that, evidently. That's what I've been told just a few minutes ago and that was a concern of Senator Chizek. In addition there is a stop loss provision of \$5,000 so no individual under that copayment of either 10 or 20 percent would ever have to pay more than \$5,000 in a calendar year. Again,