

SPEAKER BARRETT: Senator Landis.

SENATOR CHIZEK: Senator Landis, basically what this is doing is allowing them to sell insurance?

SENATOR LANDIS: It allows them to sell services in a short time. You can call it an insurance if you wish.

SENATOR CHIZEK: Kind of like the insurance policy on extended warranty on an automobile?

SENATOR LANDIS: If you wish to use that characterization, I can understand where your argument is leading to and you're entitled to do that if you wish.

SENATOR CHIZEK: I was just wondering if it is somewhat similar, Senator, to LB 529 in terms of people selling insurance and...

SENATOR LANDIS: Well I don't see it that way, but I'm sure you do.

SENATOR CHIZEK: I'm certain you don't, Senator. (laughter) Senator Wesely, would you one more time for the benefit of the body, I understood you to say that in your conversation with them, this amendment would allow those people who participate in the CHIP's program, that they are going to offer an 80-20 but they are still going to offer 90-10 but at a higher rate. Is that what I understood? And they also gave you an assurance in writing or verbally that the rates would not go up over 10 percent?

SENATOR WESELY: Yes, Senator Chizek, on the first point I did have my staff call over to the Insurance Department employee working with the CHIP program. He indicated to me that the plan was to go to the 80-20, keep the 90-10 and they need this amendment to make sure those under the old plan under 90-10 could, if they want to, shift to the 80-20. I'm not sure about all the details, but that's through that methodology what I understand is the situation. But they would absolutely have the right to do that and that would continue, so, yeah, the plan is to have both plans and then have a higher rate for the 90-10 is what I've been told.

SENATOR CHIZEK: Okay, they are going to have a higher rate for