

80 percent of the market rate, thanks to the Legislature, which increased some of that last year. That is the major bulk of expenditure. There is 200,000 included to fund the training, and that is training for the providers, the day care home providers around the state and, again, that would be contracted out locally. So you are talking about a million and a half dollars, and that is, in essence, where the money goes, those two primary focuses.

SENATOR SCHMIT: All right. What is the market rate, and I know you discussed it just a little bit this morning, but what is market rate and how is that determined, and how do we get into the business of establishing a market rate?

SENATOR WESELY: Senator Schmit, the department surveys, we just adopted an amendment that clarifies this a little bit, but they break down into areas. Lincoln would be one area, Omaha another area, Hastings another, Grand Island, I don't know exactly how they break it down, but it would be by market area. Then they would survey day care providers within that area, find a generally accepted level, you know, an average of reimbursement, and then that would be the market rate, and try to reflect the Title XX reimbursements in that market, along that average, so that it wouldn't be high or low. It would be, hopefully, on the market rate.

SENATOR SCHMIT: What is considered market rate at the present time?

SENATOR WESELY: Well, one example in Lincoln, I know I am paying about, let's see, \$65 a week, and, currently, they are reimbursing at \$36 a week here, I understand...well, that is hard to say, though, because, again, it does vary a little bit, but they have some wide gaps like that, and some less wide gaps, but the market rate is quite a bit higher than what we are now reimbursing for Title XX in certain areas, particularly, you know, where there is a greater demand on providers.

SENATOR SCHMIT: I guess, Senator Wesely, one of my concerns also is the fact that you go out into my area where many of the working mothers draw minimum wages or slightly above, what impact will this have, if any, upon the rates that they will be charged for their day care services?

PRESIDENT: One minute.