

suggestions in tightening the way that we regulated Medicare supplement. That measure, however, was also contained in a separate bill, LB 983, I believe, and that measure has been reported to Final Reading and is in a position to be passed. As a matter of fact, I think it has been read on Final Reading and, for that reason, one of the provisions of this amendment is to strip those provisions from the bill so that we don't have any duplication on that score. The three remaining provisions, there are two minor ones, one of them relates to PPOs which are like HMOs, HMOs being a health maintenance organization but a PPO is a slightly different arrangement but for much the same kind of purpose. It's a way of arranging for medical services and to prepay for them. In the PPO situation, there is the desire to have the same provisions for confidentiality that apply in an HMO or a health maintenance organization. In those situations, the health maintenance organization may not release information about their clients and their treatment unless it's with the express request of the individual who has been so served or pursuant to a court order or pursuant to a statutory privilege. And those same provisions which are in our law for HMO, that is to say they're in LB 1136, are now being requested to apply to PPOs. No one that I know of has any objection to that and, for that reason, to parallel what are two similar organizations to have similar rights this provision should be adopted. The second division says that an HMO may not have an arrangement which is exclusively mail order medications. Health maintenance organizations are oftentimes meant to give first care, first line diagnostic treatment for individuals and oftentimes you have medical needs which are immediate in nature and this provision says basically that the medical or medication side of the HMO may not be done in an explicitly and restrictedly mail order fashion. You need to have a way in which your HMO people can go to a pharmacy to do business. Why? Because it's oftentimes the case that you don't want to wait a week or two weeks to start medication for a sickness and there is no HMO that does work of that nature in this state and there is no objection by any of the HMOs to that language. The most substantive provisions to the amendment, however, are at the suggestion of the Department of Insurance and are contained in a measure which has had a public hearing and which was responded to positively by the Banking, Commerce and Insurance Committee. It relates to the new nationally recognized model legislation dealing with managing general agents in insurance. This new model act by the National Association of Insurance Commissioners is intended to respond to the phenomenon of managing general