

place to adequately cover the potential extremely high cost you could face. And so I am just concerned a great deal about the movement toward self-funding and whether or not we adequately protect the taxpayers of the State of Nebraska from being exposed to losses because they're in a situation that they don't anticipate and losses occur and they are unable to adequately pay for those. The taxpayers are one concern. The employees are another concern, whether or not the insurance plans that they rely on are adequately funded and solvent and able to meet their obligations. And the concept of self-funding, in general, is one that I have some trouble with. I think it, obviously, is an option to be looked at but we now in this state have half of the insurance coverages through self-funded plans. Self-funded plans don't pay a premium tax. Self-funded plans don't subject themselves to state regulation in terms of mandated benefits or other types of provisions. They exempt themselves out from a lot of oversight. And so, although these are political subdivisions, that's a different situation, self-funding does leave some oversight function out of the picture and the proposal, both in its original form and as amended by the committee, does not provide for oversight, for instance, by the insurance department. And that's another great concern here. How, in fact, would we see that these self-funded schemes would be adequately dealt with by these various subdivisions? Who is the policeman to make sure that we are dealing with these in a fair fashion? Are we able to be satisfied that the insurance department, not having oversight, somebody somewhere will be able to ensure that we don't have problems arise from this proposal. And so I...I list out now for you a number of reasons why I have concerns about the legislation. And rather than try to work through the issue in a lengthy fashion at this point, the suggestion I have is the better course of action might be to simply bracket the bill and allow us to address those sort of issues and additional ones over the course of the interim. And, with that, I have quickly outlined my concerns, I will...I realize this is an unusual step to take with the bill and I would prefer having Senator Landis and others go through the bill perhaps so people understand it better. But I do want to raise these issues so that you, as you have the bill described to you, understand why there remains concerns about whether or not, again, we are adequately addressing a number of questions that have arisen about this legislation. So, with that, I look forward to the discussion on this bill.

PRESIDENT MOUL: Thank you, Senator Wesely. Okay, I will