

I worry about--the concepts of 10,000, 100,000, \$1 million deductibles that might possibly be put in place for certain self-funded plans that would then expose a local subdivision to losses that could be hard to anticipate. And so I put forth this amendment that said, essentially, that if you had a plan that had a deductible of 2,000 or less, you're free to move forward under the mechanisms of this bill, but if you had a plan that had a deductible of over 2,000 that the subdivision would cover then you needed to have that plan reviewed by the Department of Insurance. Currently, the way the system works is that if an insurance company, well, any insurance company that is domicile to the state or operating in the state, is subject to review by the Department of Insurance and so there is an oversight function performed of the insurance industry by the Department of Insurance. When you self-fund, you also remove yourself from that Insurance Department oversight and I was concerned about that. That's one of the arguments we made about this issue, that it wasn't a good idea to self-fund because you lost that oversight and the independence that it brought to reviewing the financial status of the health insurance scheme that might be in place. But the Insurance Department has come to me and they're concerned about this proposal. They would prefer...they would prefer either themselves involved in overseeing an insurance company scheme as it currently is or they would rather just be taken out of it. They don't want this sort of a halfway measure of where they review some but don't review some plans. I don't know. I guess it seems to me that we ought to come up with some mechanism for the higher risk, self-funded plans for subdivisions to have some greater oversight than is currently in the bill and so, though the insurance Department doesn't necessarily want to do this, I at least want to raise the issue. And then, I guess, assuming Senator Landis will respond, and then I'll decide whether I want to proceed with this amendment or not.

PRESIDENT MOUL: Thank you, Senator Wesely. I'll now recognize Senator Landis, followed by Senator Kristensen and Nelson. Senator Landis.

SENATOR LANDIS: Thank you Madam President and members of the Legislature. First, I do want to tell Senator Wesely that I'll be offering an amendment following his that makes it clear that even in the large deductible example that he was talking about, that the subdivision needs to have a 100 percent of available assets for the aggregate amount of risk available to their plan,