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treatment rate reductions, number 4, which deletes Medicaid eligibility coverage for nursing facility clients whose income is over 300 percent of SSI, and number 6, to eliminate coverage of medically needy caretaker relatives, we're leaving those three in. Now if you look at the fiscal note, which you probably don't have because we just received it, what we're doing, we're putting in \$404,849 back in. We're taking out \$584,917. Now this is for this fiscal year. This does not affect next year. If you look at the biennium, the three years, it puts back in \$2,169,639. Now this is put back in at the present time. The Director of Social Service can still cut these if they can't reach an agreement with the nursing homes and the other people. And this is why we need to let them have their day in court. Once they have this day in court, then they can come back and try and work out an agreement. So this amendment then it cuts 584,917, it puts in number 1, number 4 and number 6 and the fiscal impact for this year will be \$404,849. Be glad to answer any questions. Thank you.

SENATOR CONWAY: Thank you, Senator Schellpeper. Senator Wesely, your light is next.

SENATOR WESELY: Thank you, Mr. President, members. I appreciate Senator Schellpeper's cooperation on this. As I indicated, the Health Committee has reviewed these administrative cuts and found three of them to be advisable, three of them to be questionable. And so it's appropriate to put back in the money in the three questionable until we determine that those are truly cuts that we need and should be making. But for those that do make sense, I don't want this Legislature saying or having any indication that we do not support cuts in those areas. And so I don't want us to leave this session without having done anything on Medicaid. And at this point it looks like unless we take this step with the amendment that we are talking about that could be the case. We want the message out that we do have concerns about the Medicaid cost. We are looking for ways to cut those costs and are trying to work on that problem. And so I'm glad Senator Schellpeper agreed to this. This would retain three items under the cut status. They are the increase in staff to reduce fraud and abuse. That will save on an annual basis it is estimated about \$242,000 a year. We will delete the Medicaid drug coverage for the smoking cessation patches which have been of controversy and also some over-the-counter drugs. That will save about 947,000 a year. And the Medicare inpatient crossover claims change to